Switzerland

This document provides citations of the relevant legislation, regulation, policy and guidance, and notes explaining the assigned ratings for all relevant Principles of a given jurisdiction, by FMI type. It is a direct download of all the information for one jurisdiction that is included in the online CPMI-IOSCO PFMI implementation database (www.bis.org/committees/cpmi/pfmi/l2-database and www.iosco.org/about/?subsection=cpmi_iosco).

It includes all Principles and all key considerations: for the ones where gaps were identified the last column provides details on key conclusions and recommendations. The online CPMI-IOSCO PFMI implementation database allows to search information by Principle across different jurisdictions.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	1.0	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.		Art. 23, Art. 27(1) National Bank Ordinance (NBO) Art. 4(1), Art. 5, Art. 6, Art. 21, Art. 22, Art. 60, Art. 88–92 Financial Market Infrastructure Act (FMIA) Art. 19, Art. 51 Financial Market Infrastructure Ordinance (FMIO) Art. 27, Art. 30a Swiss Federal Act on Banks and Saving Banks (BA)	Consistent	The implementation measures for CCPs are consistent with Principle 1, although there is a minor gap or shortcoming for KC 5 that has no material impact on completeness or consistency. Switzerland is recommended to implement measures which address the gaps or identified inconsistencies related to KC 5. Furthermore, wherever there are inconsistencies in language between the Swiss regulations and the PFMI, Switzerland is recommended to consider providing clarity to FMIs with respect to minimum standards.
CCP	1.1	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.	The legal basis should provide a high degree of certainty for each material aspect of an FMI's activities in all relevant jurisdictions.	Art. 21a–34 NBO Art. 4(1), Art. 4(3), Art. 5, Art. 6, Art. 8–24, Art. 48–60, Art. 60, Art. 88–92 FMIA Art. 4–21, Art. 44–51, Art. 73–75 FMIO Art. 24–37 and 37d–37g BA	Consistent	Inconsistency in language: The Swiss regulations address the need for legal basis to provide a high degree of certainty, but do not explicitly address the need for a high degree of certainty in all relevant jurisdictions. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.
CCP	1.2	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.	An FMI should have rules, procedures, and contracts that are clear, understandable, and consistent with relevant laws and regulations.	Art. 23(1), Art. 23(2) NBO Relevant requirements in FMIA/FMIO and NBA/NBO (e.g. Art. 28, Art. 29, Art. 32 NBO) Art. 4, 5, 7, 21 and 25 FMIA. Art. 19 FMIO	Consistent	

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CCP	1.3	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.	An FMI should be able to articulate the legal basis for its activities to relevant authorities, participants, and, where relevant, participants' customers, in a clear and understandable way.	Art. 23(1), Art. 23(2) NBO Relevant requirements in FMIA/FMIO and NBA/NBO (e.g. Art. 28, Art. 29, Art. 32 NBO) Art. 4, 5, 7, 21 and 25 FMIA. Art. 19 FMIO	Consistent	
CCP	1.4	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.	An FMI should have rules, procedures, and contracts that are enforceable in all relevant jurisdictions. There should be a high degree of certainty that actions taken by the FMI under such rules and procedures will not be voided, reversed, or subject to stays.	Art. 23(2), 27(1) NBO Art. 51(1)(a) FMIO Art. 88(1), 89(2–3), Art. 90, Art. 90(3), Art. 92 FMIA Art. 24–37 and 37d–37g BA	Consistent	Inconsistency in language: The Swiss regulations do not explicitly address the need for a high degree of certainty that actions of the FMI will not be voided, reversed or subject to stays in all relevant jurisdictions. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.
CCP	1.5	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.	An FMI conducting business in multiple jurisdictions should identify and mitigate the risks arising from any potential conflict of laws across jurisdictions.	Art. 23(2), 27(1) NBO Art. 8(3) FMIA Art. 9 FMIO	Consistent	There is a minor gap as the Swiss regulations do not explicitly address the need for FMIs conducting business in multiple jurisdictions to identify and manage risks arising from potential conflict of laws across jurisdictions.
CCP	2.0	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.		Art. 1(2), Art. 8–9, Art. 19–21, Art. 23 FMIA Art. 4–5, Art. 8–10, Art. 18–19, Art. 45 FMIO Art. 36 NBO Art. 620 et seq. Swiss Code of Obligations (CO) FINMA Circular 2017/01 on Corporate Governance – banks FINMA Circular 2013/03 Auditing	Broadly consistent	The implementation measures for CCPs are broadly consistent with Principle 2. The overall rating has been influenced by the minor gaps or shortcomings in the implementation measures for KCs 1, 3 and 6. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KCs 1, 3 and 6.
CCP	2.1	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	An FMI should have objectives that place a high priority on the safety and efficiency of the FMI and explicitly support financial stability and other relevant public interest considerations.	Art. 1(2), (Art. 8(1), Art. 23(1) FMIA Art. 4(2) FMIO	Broadly consistent	There is a minor gap as the Swiss regulations do not explicitly address the need for FMIs to have objectives that explicitly support financial stability and other relevant public interest considerations.

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CCP	2.2	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	An FMI should have documented governance arrangements that provide clear and direct lines of responsibility and accountability. These arrangements should be disclosed to owners, relevant authorities, participants, and, at a more general level, the public.	Art. 8(2), Art. 19, Art. 21(1) FMIA Art. 4(1), Art. 4(2), Art. 5(1), Art. 5(2), Art. 6–10, Art. 13, Art. 48, 49, 56, 57 and 69; Art. 71 FMIO Art. 36(1), Art. 36(2) NBO In addition to these rules, general rules of the company law apply to FMIs (e.g. Art. 620 et seq. CO or Art. 716b of the CO). FINMA requires FMIs to comply with substantial parts of the FINMA Circular on Corporate Governance.	Broadly consistent	
CCP	2.3	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	The roles and responsibilities of an FMI's board of directors (or equivalent) should be clearly specified, and there should be documented procedures for its functioning, including procedures to identify, address, and manage member conflicts of interest. The board should review both its overall performance and the performance of its individual board members regularly.	Art. 8(2) FMIA Art. 8(1), Art. 8(2) Art. 8(3) Art. 8(4) FMIO Art. 20 FMIA FINMA Circular on Governance	Broadly consistent	There is a minor gap due to the fact that while there is a requirement for FMIs to assess the board's overall performance, the requirement to ask the board to regularly review the performance of its individual board members is not explicitly addressed by the Swiss regulations.
CCP	2.4	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	The board should contain suitable members with the appropriate skills and incentives to fulfil its multiple roles. This typically requires the inclusion of non-executive board member(s).	Art. 8(1), Art. 8(2), Art. 8(4), Art. 10(1) FMIO Art. 9(1–3) FMIA See also response to KC 3	Broadly consistent	
CCP	2.5	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	The roles and responsibilities of management should be clearly specified. An FMI's management should have the appropriate experience, a mix of skills, and the integrity necessary to discharge their responsibilities for the operation and risk management of the FMI.	Art. 8(1), Art. 8(2), Art. 8(3), Art. 10(1) FMIO Art. 8(2–3), Art. 9(1–3) FMIA	Broadly consistent	

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CCP	2.6	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	The board should establish a clear, documented risk-management framework that includes the FMI's risk-tolerance policy, assigns responsibilities and accountability for risk decisions, and addresses decision making in crises and emergencies. Governance arrangements should ensure that the risk-management and internal control functions have sufficient authority, independence, resources, and access to the board.	Art. 8(3) FMIA Art. 8(3), Art. 9(4–6), Art. 45(1) FMIO FINMA Circular on auditing	Broadly consistent	There is a minor gap as the Swiss regulations do not explicitly address the need for the risk management function to have sufficient authority, independence, resources, and access to the board.
CCP	2.7	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	The board should ensure that the FMI's design, rules, overall strategy, and major decisions reflect appropriately the legitimate interests of its direct and indirect participants and other relevant stakeholders. Major decisions should be clearly disclosed to relevant stakeholders and, where there is a broad market impact, the public.	Art. 8(5), Art. 18, Art. 19, Art. 45(1) FMIO, See also responses under Principles 18 and 23 for full disclosure requirements	Broadly consistent	
CCP	3.0	An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.		Art. 8, Art. 13, Art. 14, Art. 24, Art. 84 FMIA Art. 9, Art. 14, Art. 15, Art. 20, Art. 45, Art. 72 FMIO Art. 27, Art. 37 NBO Art. 9(1) Federal Act on the Licensing and Oversight of Auditors (Auditor Oversight Act, AOA) FINMA Circular 2013/03 Auditing	Consistent	Wherever there are inconsistencies in language between the Swiss regulations and the PFMI, Switzerland is recommended to consider providing clarity to FMIs with respect to minimum standards.
CCP	3.1	An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.	An FMI should have risk-management policies, procedures, and systems that enable it to identify, measure, monitor, and manage the range of risks that arise in or are borne by the FMI. Risk-management frameworks should be subject to periodic review.	Art. 8(3), Art. 84(1), Art. 84(3) FMIA Art. 9(1), Art. 9(4), Art. 9(5), Art. 9(6) FMIO Art. 9a(1) AOA Art. 24 Federal Act of 22 June 2007 on the Swiss Financial Market Supervision Authority (FINMASA) Art. 27(1), Art. 37(1) NBO	Consistent	Inconsistency in language: The Swiss regulations address the need for FMIs to have a risk management framework, but do not explicitly address the need for FMIs to manage the material risks that they pose to other entities. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.

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CCP	3.2	An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.	An FMI should provide incentives to participants and, where relevant, their customers to manage and contain the risks they pose to the FMI.	Art. 9(2), Art. 9(3), Art. 45(1) FMIO Art. 27(2–3) NBO	Consistent	
CCP	3.3	An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.	An FMI should regularly review the material risks it bears from and poses to other entities (such as other FMIs, settlement banks, liquidity providers, and service providers) as a result of interdependencies and develop appropriate risk-management tools to address these risks.	Art. 45(1–2) FMIO Art. 27(1–2) NBO See also responses under Principle 20	Consistent	Inconsistency in language: The Swiss regulations address the need for FMIs to have a risk management framework, but do not explicitly address the need for FMIs to manage the material risks that they pose to other entities. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.
CCP	3.4	An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.	An FMI should identify scenarios that may potentially prevent it from being able to provide its critical operations and services as a going concern and assess the effectiveness of a full range of options for recovery or orderly wind-down. An FMI should prepare appropriate plans for its recovery or orderly wind-down based on the results of that assessment. Where applicable, an FMI should also provide relevant authorities with the information needed for purposes of resolution planning.	Art. 13(1–2, Art. 14(1), Art. 14(2), Art. 24 FMIA Art. 14(1), Art. 14(2), Art. 14(3), Art. 15(1), (Art. 15(2), Art. 20–21, Art. 45(2), Art. 72 FMIO Article 26 of the NBO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	4.0	An FMI should effectively measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes. An FMI should maintain sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence. In addition, a CCP that is involved in activities with a more-complex risk profile or that is systemically important in multiple jurisdictions should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the two participants and their affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions. All other CCPs should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions.		Art. 8(3), Art. 24(1), Art. 49(1–2) FMIA Art. 8(3), Art. 9(1), Art. 46(1) and (3) FMIO Art. 24a, Art. 27, Art. 28, Art. 28b(1) and (3), Art. 28c, Art. 28d NBO	Consistent	The implementation measures for CCPs are consistent with Principle 4, although there are some minor gaps or shortcomings with KC 5 that have no material impact on completeness or consistency. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KC 5. Furthermore, wherever there are inconsistencies in language between the Swiss regulations and the PFMI, Switzerland is recommended to consider providing clarity to CCPs with respect to minimum standards.

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CCP	4.1	An FMI should effectively measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes. An FMI should maintain sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence. In addition, a CCP that is involved in activities with a more-complex risk profile or that is systemically important in multiple jurisdictions should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the two participants and their affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions. All other CCPs should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions.	An FMI should establish a robust framework to manage its credit exposures to its participants and the credit risks arising from its payment, clearing, and settlement processes. Credit exposure may arise from current exposures, potential future exposures, or both.	Art. 8(3) FMIA Art. 9(1) FMIO Art. 27(1), Art. 28 NBO	Consistent	

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CCP	4.2	An FMI should effectively measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes. An FMI should maintain sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence. In addition, a CCP that is involved in activities with a more-complex risk profile or that is systemically important in multiple jurisdictions should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the two participants and their affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions. All other CCPs should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions.	An FMI should identify sources of credit risk, routinely measure and monitor credit exposures, and use appropriate risk-management tools to control these risks.	Art. 27, Art. 28, Art. 28b(3), Art. 28c(1), Art. 28d(1), Art. 28d(2) NBO Art. 46(1) FMIO	Consistent	

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CCP	4.4	An FMI should effectively measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes. An FMI should maintain sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence. In addition, a CCP that is involved in activities with a more-complex risk profile or that is systemically important in multiple jurisdictions should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the two participants and their affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions. All other CCPs should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions.	A CCP should cover its current and potential future exposures to each participant fully with a high degree of confidence using margin and other prefunded financial resources (see Principle 5 on collateral and Principle 6 on margin). In addition, a CCP that is involved in activities with a more-complex risk profile or that is systemically important in multiple jurisdictions should maintain additional financial resources to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the two participants and their affiliates that would potentially cause the largest aggregate credit exposure for the CCP in extreme but plausible market conditions. All other CCPs should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would potentially cause the largest aggregate credit exposure for the CCP in extreme but plausible market conditions. In all cases, a CCP should document its supporting rationale for, and should have appropriate governance arrangements relating to, the amount of total financial resources it maintains.	Art. 28(2), Art. 28a, Art. 28b(1), Art. 28b(3), Art. 28d, Art. 28d(1) NBO Art. 49(1), Art. 49(2) FMIA Art. 8(3), Art. 9(5), Art. 46(3) FMIO	Consistent	

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CCP	4.5	An FMI should effectively measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes. An FMI should maintain sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence. In addition, a CCP that is involved in activities with a more-complex risk profile or that is systemically important in multiple jurisdictions should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the two participants and their affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions. All other CCPs should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions.	A CCP should determine the amount and regularly test the sufficiency of its total financial resources available in the event of a default or multiple defaults in extreme but plausible market conditions through rigorous stress testing. A CCP should have clear procedures to report the results of its stress tests to appropriate decision makers at the CCP and to use these results to evaluate the adequacy of and adjust its total financial resources. Stress tests should be performed daily using standard and predetermined parameters and assumptions. On at least a monthly basis, a CCP should perform a comprehensive and thorough analysis of stress testing scenarios, models, and underlying parameters and assumptions used to ensure they are appropriate for determining the CCP's required level of default protection in light of current and evolving market conditions. A CCP should perform this analysis of stress testing more frequently when the products cleared or markets served display high volatility, become less liquid, or when the size or concentration of positions held by a CCP's participants increases significantly. A full validation of a CCP's risk-management model should be performed at least annually.	Art. 46(3) FMIO Art. 24a(1) and (3), Art. 28(2), Art. 28a, Art. 28b(3), Art. 28c(1), Art. 28d(1), Art. 28d(2) NBO	Consistent	There is a minor gap as the Swiss regulations do not explicitly address the need for CCPs to have clear procedures to report the results of their stress tests to appropriate decision-makers at the CCP, although the regulation is clear that that CCPs should conduct daily stress tests to assess financial resource adequacy and make any necessary adjustments in the event of a shortcoming so as to meet the requirements. Switzerland is recommended to make explicit the need for CCPs to have clear procedures to report the results of their stress tests to appropriate decision-makers at the CCP.

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CCP	4.6	An FMI should effectively measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes. An FMI should maintain sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence. In addition, a CCP that is involved in activities with a more-complex risk profile or that is systemically important in multiple jurisdictions should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the two participants and their affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions. All other CCPs should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions.	In conducting stress testing, a CCP should consider the effect of a wide range of relevant stress scenarios in terms of both defaulters' positions and possible price changes in liquidation periods. Scenarios should include relevant peak historic price volatilities, shifts in other market factors such as price determinants and yield curves, multiple defaults over various time horizons, simultaneous pressures in funding and asset markets, and a spectrum of forward-looking stress scenarios in a variety of extreme but plausible market conditions.	Art. 28b(3), Art. 28d NBO SNB's explanatory note to the NBO	Consistent	Inconsistency in language: It was found that the language of Swiss regulations is not entirely consistent with the PFMI, in particular not all parameters of credit risk stress testing are explicitly mentioned in the Swiss regulations. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.

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CCP	4.7	An FMI should effectively measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes. An FMI should maintain sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence. In addition, a CCP that is involved in activities with a more-complex risk profile or that is systemically important in multiple jurisdictions should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the two participants and their affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions. All other CCPs should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions.	An FMI should establish explicit rules and procedures that address fully any credit losses it may face as a result of any individual or combined default among its participants with respect to any of their obligations to the FMI. These rules and procedures should address how potentially uncovered credit losses would be allocated, including the repayment of any funds an FMI may borrow from liquidity providers. These rules and procedures should also indicate the FMI's process to replenish any financial resources that the FMI may employ during a stress event, so that the FMI can continue to operate in a safe and sound manner.	Art. 24a(1), Art. 24a(2), Art. 24a(3), Art. 28(2) NBO Art. 24(1) FMIA	Consistent	
CCP	5.0	An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity, and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits.		Art. 49(3) FMIA Art. 27(2), Art. 28(1), Art. 28a, Art. 28b, Art. 46(2) and (4) FMIO Art. 30(3) NBO	Consistent	The implementation measures for CCPs are consistent with Principle 5, although there are some minor gaps or shortcomings with KC 6 that have no material impact on completeness or consistency. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KC 6.
CCP	5.1	An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity, and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits.	An FMI should generally limit the assets it (routinely) accepts as collateral to those with low credit, liquidity, and market risks.	Art. 49(3) FMIA Art. 28a(1) NBO	Consistent	

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CCP	5.2	An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity, and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits.	An FMI should establish prudent valuation practices and develop haircuts that are regularly tested and take into account stressed market conditions.	Art. 46(3) FMIO Art. 49(3) FMIA Art. 28a(2) NBO	Consistent	
CCP	5.3	An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity, and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits.	In order to reduce the need for procyclical adjustments, an FMI should establish stable and conservative haircuts that are calibrated to include periods of stressed market conditions, to the extent practicable and prudent.	Art. 49(3) FMIA Art. 27(2), Art. 28a(2) NBO	Consistent	
CCP	5.4	An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity, and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits.	An FMI should avoid concentrated holdings of certain assets where this would significantly impair the ability to liquidate such assets quickly without significant adverse price effects.	Art. 46(2) FMIO Art. 28a(3) NBO	Consistent	
CCP	5.5	An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity, and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits.	An FMI that accepts cross-border collateral should mitigate the risks associated with its use and ensure that the collateral can be used in a timely manner.	Art. 46(4) FMIO Art. 28a(4) NBO	Consistent	
CCP	5.6	An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity, and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits.	An FMI should use a collateral management system that is well-designed and operationally flexible.	Art. 27(3), Art. 28(1), Art. 28b(2) and (4), Art. 30(3) NBO SNB's explanatory note to the NBO	Consistent	There is a minor gap as the Swiss regulations do not explicitly address the need for FMIs to use a collateral management system and do not explicitly require that such a collateral management system be well-designed and operationally flexible. Rather, the regulations, among other things, require the FMI to provide tools and incentives for the participants to continuously contain risks and manage risks through the appropriate procedures and tools.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	6.0	A CCP should cover its credit exposures to its participants for all products through an effective margin system that is risk-based and regularly reviewed.		Art.49(1–2) FMIA Art. 46 FMIO Art. 27(2), Art. 28, Art. 28a(2), Art. 28b(2), Art. 28c, Art. 28d NBO	Consistent	The implementation measures for CCPs are consistent with Principle 6, although there are some minor gaps or shortcomings with KC 2 that have no material impact on completeness or consistency. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KC 2. Furthermore, wherever there are inconsistencies in language between the Swiss regulations and the PFMI, Switzerland is recommended to consider providing clarity to CCPs with respect to minimum standards.
CCP	6.1	A CCP should cover its credit exposures to its participants for all products through an effective margin system that is risk-based and regularly reviewed.	A CCP should have a margin system that establishes margin levels commensurate with the risks and particular attributes of each product, portfolio, and market it serves.	Art. 49(1), Art. 49(2) FMIA Art. 46(1–2) FMIO Art. 28c(1) and (4) NBO	Consistent	
CCP	6.2	A CCP should cover its credit exposures to its participants for all products through an effective margin system that is risk-based and regularly reviewed.	A CCP should have a reliable source of timely price data for its margin system. A CCP should also have procedures and sound valuation models for addressing circumstances in which pricing data are not readily available or reliable.	Art. 28a(2), Art. 28b(2) NBO	Consistent	There is a minor gap as the Swiss regulations do not explicitly address the requirement that a CCP should have (i) a reliable source of timely price data for its margin system or (ii) alternative procedures and valuation models, if pricing data are not readily available or reliable. However, there are general risk provisions in relation to margining that may capture these aspects.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	6.3	A CCP should cover its credit exposures to its participants for all products through an effective margin system that is risk-based and regularly reviewed.	A CCP should adopt initial margin models and parameters that are risk-based and generate margin requirements sufficient to cover its potential future exposure to participants in the interval between the last margin collection and the close out of positions following a participant default. Initial margin should meet an established single-tailed confidence level of at least 99 percent with respect to the estimated distribution of future exposure. For a CCP that calculates margin at the portfolio level, this requirement applies to each portfolio's distribution of future exposure. For a CCP that calculates margin at more-granular levels, such as at the subportfolio level or by product, the requirement must be met for the corresponding distributions of future exposure. The model should (a) use a conservative estimate of the time horizons for the effective hedging or close out of the particular types of products cleared by the CCP (including in stressed market conditions), (b) have an appropriate method for measuring credit exposure that accounts for relevant product risk factors and portfolio effects across products, and (c) to the extent practicable and prudent, limit the need for destabilising, procyclical changes.	Art. 27(2), Art. 28(2), Art. 28c, Art. 28c(1) NBO	Consistent	
CCP	6.4	A CCP should cover its credit exposures to its participants for all products through an effective margin system that is risk-based and regularly reviewed.	A CCP should mark participant positions to market and collect variation margin at least daily to limit the build-up of current exposures. A CCP should have the authority and operational capacity to make intraday margin calls and payments, both scheduled and unscheduled, to participants.	Art. 28b(2), Art. 28c(5)NBO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	6.5	A CCP should cover its credit exposures to its participants for all products through an effective margin system that is risk-based and regularly reviewed.	In calculating margin requirements, a CCP may allow offsets or reductions in required margin across products that it clears or between products that it and another CCP clear, if the risk of one product is significantly and reliably correlated with the risk of the other product. Where two or more CCPs are authorised to offer cross-margining, they must have appropriate safeguards and harmonised overall risk-management systems.	Art. 28–28d NBO	Consistent	
CCP	6.6	A CCP should cover its credit exposures to its participants for all products through an effective margin system that is risk-based and regularly reviewed.	A CCP should analyse and monitor its model performance and overall margin coverage by conducting rigorous daily backtesting and at least monthly, and more-frequent where appropriate, sensitivity analysis. A CCP should regularly conduct an assessment of the theoretical and empirical properties of its margin model for all products it clears. In conducting sensitivity analysis of the model's coverage, a CCP should take into account a wide range of parameters and assumptions that reflect possible market conditions, including the most-volatile periods that have been experienced by the markets it serves and extreme changes in the correlations between prices.	Art. 28b(3), Art. 28c(1), Art. 28d NBO	Consistent	Inconsistency in language: It was found that the language of Swiss regulations is not entirely consistent with the PFMI, in particular, not all aspects of CCP sensitivity testing are explicitly mentioned in the Swiss regulations. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.
CCP	6.7	A CCP should cover its credit exposures to its participants for all products through an effective margin system that is risk-based and regularly reviewed.	A CCP should regularly review and validate its margin system.	Art. 46(3) FMIO Art. 28(2), Art. 28a, Art. 28a(2), Art. 28b(3), Art. 28c(1), Art. 28d(1), Art. 28d(2) NBO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	7.0	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.		Art. 8(3), Art. 50, Art.52, Art. 53 FMIA Art. 9(1), Art. 46, Art. 50 FMIO Art. 24a, Art. 27, Art. 29 NBO	Partly consistent	The implementation measures for CCPs are broadly consistent with Principle 7. The overall rating has been influenced by the gaps or shortcomings in the implementation measures for KCs 2, 5 and 9. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KCs 2, 5 and 9.
CCP	7.1	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	An FMI should have a robust framework to manage its liquidity risks from its participants, settlement banks, nostro agents, custodian banks, liquidity providers, and other entities.	Art. 8(3), Art. 9(1) FMIO Art. 27 NBO	Partly consistent	
CCP	7.2	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	An FMI should have effective operational and analytical tools to identify, measure, and monitor its settlement and funding flows on an ongoing and timely basis, including its use of intraday liquidity.	Art. 27, Art. 29(1), (2) and (6) NBO	Partly consistent	The Swiss regulations do not explicitly address the need for FMIs to monitor and manage their intraday liquidity.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	7.4	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	A CCP should maintain sufficient liquid resources in all relevant currencies to settle securities-related payments, make required variation margin payments, and meet other payment obligations on time with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate payment obligation to the CCP in extreme but plausible market conditions. In addition, a CCP that is involved in activities with a more-complex risk profile or that is systemically important in multiple jurisdictions should consider maintaining additional liquidity resources sufficient to cover a wider range of potential stress scenarios that should include, but not be limited to, the default of the two participants and their affiliates that would generate the largest aggregate payment obligation to the CCP in extreme but plausible market conditions.	Art. 52(1) FMIA Art. 50(2) FMIO Art. 29(2), (3) and (6) NBO	Partly consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	7.5	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	For the purpose of meeting its minimum liquid resource requirement, an FMI's qualifying liquid resources in each currency include cash at the central bank of issue and at creditworthy commercial banks, committed lines of credit, committed foreign exchange swaps, and committed repos, as well as highly marketable collateral held in custody and investments that are readily available and convertible into cash with prearranged and highly reliable funding arrangements, even in extreme but plausible market conditions. If an FMI has access to routine credit at the central bank of issue, the FMI may count such access as part of the minimum requirement to the extent it has collateral that is eligible for pledging to (or for conducting other appropriate forms of transactions with) the relevant central bank. All such resources should be available when needed.	Art. 49, Art. 52(1) FMIA Art. 50(1) FMIO Art. 29(4) NBO	Partly consistent	While the Swiss regulations explicitly address what types of resources an FMI can use for the purpose of meeting its minimum liquid resource requirement, they do not explicitly specify the requirement for FMIs to put in place pre-arranged and highly reliable funding arrangements for converting FX balances or liquidating non-cash collateral through sales. This shortcoming is assessed to be material. Switzerland is recommended to make explicit that its definition of qualifying liquid resources includes cash balances in foreign currencies only if they have corresponding "prearranged and highly reliable" funding arrangements.
CCP	7.6	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	An FMI may supplement its qualifying liquid resources with other forms of liquid resources. If the FMI does so, then these liquid resources should be in the form of assets that are likely to be saleable or acceptable as collateral for lines of credit, swaps, or repos on an ad hoc basis following a default, even if this cannot be reliably prearranged or guaranteed in extreme market conditions. Even if an FMI does not have access to routine central bank credit, it should still take account of what collateral is typically accepted by the relevant central bank, as such assets may be more likely to be liquid in stressed circumstances. An FMI should not assume the availability of emergency central bank credit as a part of its liquidity plan.	Art. 49, Art. 52(1) FMIA Art. 50(1) FMIO Art. 29(4) NBO	Partly consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	7.7	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	An FMI should obtain a high degree of confidence, through rigorous due diligence, that each provider of its minimum required qualifying liquid resources, whether a participant of the FMI or an external party, has sufficient information to understand and to manage its associated liquidity risks, and that it has the capacity to perform as required under its commitment. Where relevant to assessing a liquidity provider's performance reliability with respect to a particular currency, a liquidity provider's potential access to credit from the central bank of issue may be taken into account. An FMI should regularly test its procedures for accessing its liquid resources at a liquidity provider.	Art. 29(2), Art. 29(3), Art. 29(5) and (6) NBO Art. 50(1)(d) and (e) FMIO	Partly consistent	Inconsistency in language: The Swiss regulations address the need for FMIs to conduct due diligence on liquidity providers' creditworthiness and ability to meet their obligations, but do not explicitly address the need to conduct due diligence to obtain a high degree of confidence that liquidity providers have sufficient information to understand and manage their associated risks. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.
CCP	7.8	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	An FMI with access to central bank accounts, payment services, or securities services should use these services, where practical, to enhance its management of liquidity risk.	Art. 50 FMIA	Partly consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	7.9	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	An FMI should determine the amount and regularly test the sufficiency of its liquid resources through rigorous stress testing. An FMI should have clear procedures to report the results of its stress tests to appropriate decision makers at the FMI and to use these results to evaluate the adequacy of and adjust its liquidity risk-management framework. In conducting stress testing, an FMI should consider a wide range of relevant scenarios. Scenarios should include relevant peak historic price volatilities, shifts in other market factors such as price determinants and yield curves, multiple defaults over various time horizons, simultaneous pressures in funding and asset markets, and a spectrum of forward-looking stress scenarios in a variety of extreme but plausible market conditions. Scenarios should also take into account the design and operation of the FMI, include all entities that might pose material liquidity risks to the FMI (such as settlement banks, nostro agents, custodian banks, liquidity providers, and linked FMIs), and where appropriate, cover a multiday period. In all cases, an FMI should document its supporting rationale for, and should have appropriate governance arrangements relating to, the amount and form of total liquid resources it maintains.	Art. 8(3), Art. 52(1) FMIA Art. 8(3), Art. 50(2) FMIO Art. 29(2), Art. 29(6), Art. 29(2) NBO SNB’s explanatory note to the NBO	Partly consistent	The Swiss regulations do not explicitly address the need for FMIs to have clear procedures to report the results of their stress tests to appropriate decision-makers at the FMI and to use these results to evaluate and adjust their liquidity risk management framework. Inconsistency in language: In addition, it was found that the language of Swiss regulations is not entirely consistent with the PFMI, in particular, not all parameters of liquidity stress testing are explicitly mentioned in the Swiss regulations. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	7.10	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	An FMI should establish explicit rules and procedures that enable the FMI to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations on time following any individual or combined default among its participants. These rules and procedures should address unforeseen and potentially uncovered liquidity shortfalls and should aim to avoid unwinding, revoking, or delaying the same-day settlement of payment obligations. These rules and procedures should also indicate the FMI's process to replenish any liquidity resources it may employ during a stress event, so that it can continue to operate in a safe and sound manner.	Art. 53(1) FMIA Art. 24a NBO	Partly consistent	
CCP	8.0	An FMI should provide clear and certain final settlement, at a minimum by the end of the value date. Where necessary or preferable, an FMI should provide final settlement intraday or in real time.		Art. 62, Art. 89, Art. 90 FMIA Art. 53, Art. 66, Art. 73 FMIO	Consistent	
CCP	8.1	An FMI should provide clear and certain final settlement, at a minimum by the end of the value date. Where necessary or preferable, an FMI should provide final settlement intraday or in real time.	An FMI's rules and procedures should clearly define the point at which settlement is final.	Art. 62(4), Art. 89, Art. 90(1) FMIA Art. 53, Art. 66(2), Art. 66(3), Art. 73(1) FMIO	Consistent	
CCP	8.2	An FMI should provide clear and certain final settlement, at a minimum by the end of the value date. Where necessary or preferable, an FMI should provide final settlement intraday or in real time.	An FMI should complete final settlement no later than the end of the value date, and preferably intraday or in real time, to reduce settlement risk. An LVPS or SSS should consider adopting RTGS or multiple-batch processing during the settlement day.	Art. 62(5) FMIA Art. 66(4) FMIO	Consistent	
CCP	8.3	An FMI should provide clear and certain final settlement, at a minimum by the end of the value date. Where necessary or preferable, an FMI should provide final settlement intraday or in real time.	An FMI should clearly define the point after which unsettled payments, transfer instructions, or other obligations may not be revoked by a participant.	Art. 62(4) FMIA Art. 66(2), Art. 73(2) FMIO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	9.0	An FMI should conduct its money settlements in central bank money where practical and available. If central bank money is not used, an FMI should minimise and strictly control the credit and liquidity risk arising from the use of commercial bank money.		Art. 10, Art. 50, Art. 62 FMIA Art. 49, Art. 66 FMIO Art. 25, Art. 25a NBO Section 4 of Chapter 1 of Title 4 Capital Adequacy Ordinance (CAO)	Consistent	The implementation measures for CCPs are consistent with Principle 9, although there are some minor gaps or shortcomings with KCs 3 and 5 that have no material impact on completeness or consistency. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KCs 3 and 5.
CCP	9.1	An FMI should conduct its money settlements in central bank money where practical and available. If central bank money is not used, an FMI should minimise and strictly control the credit and liquidity risk arising from the use of commercial bank money.	An FMI should conduct its money settlements in central bank money, where practical and available, to avoid credit and liquidity risks.	Art. 50(1) FMIA	Consistent	
CCP	9.2	An FMI should conduct its money settlements in central bank money where practical and available. If central bank money is not used, an FMI should minimise and strictly control the credit and liquidity risk arising from the use of commercial bank money.	If central bank money is not used, an FMI should conduct its money settlements using a settlement asset with little or no credit or liquidity risk.	Art. 50(2) FMIA	Consistent	
CCP	9.3	An FMI should conduct its money settlements in central bank money where practical and available. If central bank money is not used, an FMI should minimise and strictly control the credit and liquidity risk arising from the use of commercial bank money.	If an FMI settles in commercial bank money, it should monitor, manage, and limit its credit and liquidity risks arising from the commercial settlement banks. In particular, an FMI should establish and monitor adherence to strict criteria for its settlement banks that take account of, among other things, their regulation and supervision, creditworthiness, capitalisation, access to liquidity, and operational reliability. An FMI should also monitor and manage the concentration of credit and liquidity exposures to its commercial settlement banks.	Art. 50(2) FMIA Section 4 of Chapter 1 of Title 4 CAO (Art. 49 FMIO). Art. 103–111 CAO	Consistent	There is a minor gap as the Swiss regulations require an FMI to monitor credit risks vis-à-vis commercial settlement banks but do not otherwise explicitly address the need for FMIs to establish and monitor adherence to criteria for settlement banks, or to monitor and manage concentration of exposures to settlement banks.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	9.4	An FMI should conduct its money settlements in central bank money where practical and available. If central bank money is not used, an FMI should minimise and strictly control the credit and liquidity risk arising from the use of commercial bank money.	If an FMI conducts money settlements on its own books, it should minimise and strictly control its credit and liquidity risks.	Art. 10(1) FMIA	Consistent	
CCP	9.5	An FMI should conduct its money settlements in central bank money where practical and available. If central bank money is not used, an FMI should minimise and strictly control the credit and liquidity risk arising from the use of commercial bank money.	An FMI's legal agreements with any settlement banks should state clearly when transfers on the books of individual settlement banks are expected to occur, that transfers are to be final when effected, and that funds received should be transferable as soon as possible, at a minimum by the end of the day and ideally intraday, in order to enable the FMI and its participants to manage credit and liquidity risks.	Art. 50(2), Art. 62(4–5) FMIA Art. 66(2–4) FMIO Art. 25a NBO	Consistent	There is a minor gap as the Swiss regulations do not require from the CCP that its arrangements with any settlement banks should (i) clearly state the specific points of the payment and settlement process and (ii) explicitly address those aspects of KC 5 regarding finality and transferability.
CCP	10.0	An FMI should clearly state its obligations with respect to the delivery of physical instruments or commodities and should identify, monitor, and manage the risks associated with such physical deliveries.		Art. 23, Art. 25c NBO Art. 973a–973c Swiss Code of Obligations (CO) Art. 7(2) Federal Act on Intermediated Securities (FISA)	Consistent	The implementation measures for CCPs are consistent with Principle 10, although there are some gaps or shortcomings with KC 2 that have no material impact on completeness or consistency.
CCP	10.1	An FMI should clearly state its obligations with respect to the delivery of physical instruments or commodities and should identify, monitor, and manage the risks associated with such physical deliveries.	An FMI's rules should clearly state its obligations with respect to the delivery of physical instruments or commodities.	Art. 23(1) NBO Please also refer to the response to KC 2 under Principle 1	Consistent	
CCP	10.2	An FMI should clearly state its obligations with respect to the delivery of physical instruments or commodities and should identify, monitor, and manage the risks associated with such physical deliveries.	An FMI should identify, monitor, and manage the risks and costs associated with the storage and delivery of physical instruments or commodities.	Art. 25c(2) NBO Art. 973a–973c CO Art. 7(2) FISA Message of the Federal Council dated 15 November 2006 on the Federal Act on Intermediated Securities and the Hague Securities Convention (p. 931) Please also refer to the response to Principle 3 and Principle 17	Consistent	The Swiss regulations do not explicitly state that an FMI should manage the risks and costs associated with the "storage and delivery" of physical instruments or commodities. Nevertheless, the regulations include general risk requirements that should cover all risks.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	12.0	If an FMI settles transactions that involve the settlement of two linked obligations (for example, securities or foreign exchange transactions), it should eliminate principal risk by conditioning the final settlement of one obligation upon the final settlement of the other.		Art. 47 FMIO	Consistent	
CCP	12.1	If an FMI settles transactions that involve the settlement of two linked obligations (for example, securities or foreign exchange transactions), it should eliminate principal risk by conditioning the final settlement of one obligation upon the final settlement of the other.	An FMI that is an exchange-of-value settlement system should eliminate principal risk by ensuring that the final settlement of one obligation occurs if and only if the final settlement of the linked obligation also occurs, regardless of whether the FMI settles on a gross or net basis and when finality occurs.	Art. 47 FMIO	Consistent	
CCP	13.0	An FMI should have effective and clearly defined rules and procedures to manage a participant default. These rules and procedures should be designed to ensure that the FMI can take timely action to contain losses and liquidity pressures and continue to meet its obligations.		Art. 21, Art. 52, Art.53, Art. 55 FMIA Art. 19, Art. 45, Art. 48, Art. 51 FMIO Art. 23, Art. 24a, Art. 27 NBO Title 3 Capital Adequacy Ordinance (CAO)	Broadly consistent	The implementation measures of the Swiss authorities are broadly consistent with Principle 13. The overall rating has been influenced by the minor gaps or shortcomings identified for KC 4. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KC 4.
CCP	13.1	An FMI should have effective and clearly defined rules and procedures to manage a participant default. These rules and procedures should be designed to ensure that the FMI can take timely action to contain losses and liquidity pressures and continue to meet its obligations.	An FMI should have default rules and procedures that enable the FMI to continue to meet its obligations in the event of a participant default and that address the replenishment of resources following a default.	Art. 52(2), Art. 53(1–3), Art. 55(2), Art. 59(3) FMIA Art. 24a(1–2) NBO Art. 48(1–6) FMIO Title 3 CAO	Broadly consistent	
CCP	13.2	An FMI should have effective and clearly defined rules and procedures to manage a participant default. These rules and procedures should be designed to ensure that the FMI can take timely action to contain losses and liquidity pressures and continue to meet its obligations.	An FMI should be well prepared to implement its default rules and procedures, including any appropriate discretionary procedures provided for in its rules.	Art. 53(2) and (3), Art. 59(3) FMIA Art. 23 Art. 24a(3) NBO Art. 45(1), Art. 45(2), Art. 51(2) FMIO	Broadly consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	13.3	An FMI should have effective and clearly defined rules and procedures to manage a participant default. These rules and procedures should be designed to ensure that the FMI can take timely action to contain losses and liquidity pressures and continue to meet its obligations.	An FMI should publicly disclose key aspects of its default rules and procedures.	Art. 21 FMIA Art. 19 FMIO	Broadly consistent	
CCP	13.4	An FMI should have effective and clearly defined rules and procedures to manage a participant default. These rules and procedures should be designed to ensure that the FMI can take timely action to contain losses and liquidity pressures and continue to meet its obligations.	An FMI should involve its participants and other stakeholders in the testing and review of the FMI's default procedures, including any close-out procedures. Such testing and review should be conducted at least annually or following material changes to the rules and procedures to ensure that they are practical and effective.	Art. 24a(3), Art. 27(2) NBO Art. 45(1) FMIO	Broadly consistent	There is a minor gap as the Swiss regulations do not explicitly address the requirement to involve relevant stakeholders in the testing and review of the FMI's default procedures. In addition, the requirement to conduct such testing and review following material changes to the rules and procedures of the CCP is also not addressed explicitly in the Swiss regulations.
CCP	14.0	A CCP should have rules and procedures that enable the segregation and portability of positions of a participant's customers and the collateral provided to the CCP with respect to those positions.		Art. 54, Art. 55, Art. 59 FMIA Art. 19, Art. 44, Art. 51 FMIO	Consistent	Wherever there are inconsistencies in language between the Swiss regulations and the PFMI, Switzerland is recommended to consider providing clarity to CCPs with respect to minimum standards.
CCP	14.1	A CCP should have rules and procedures that enable the segregation and portability of positions of a participant's customers and the collateral provided to the CCP with respect to those positions.	A CCP should, at a minimum, have segregation and portability arrangements that effectively protect a participant's customers' positions and related collateral from the default or insolvency of that participant. If the CCP additionally offers protection of such customer positions and collateral against the concurrent default of the participant and a fellow customer, the CCP should take steps to ensure that such protection is effective.	Art. 54, Art. 55(1), Art. 59 FMIA	Consistent	
CCP	14.2	A CCP should have rules and procedures that enable the segregation and portability of positions of a participant's customers and the collateral provided to the CCP with respect to those positions.	A CCP should employ an account structure that enables it readily to identify positions of a participant's customers and to segregate related collateral. A CCP should maintain customer positions and collateral in individual customer accounts or in omnibus customer accounts.	Art. 44 FMIO See response to KC 1	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	14.3	A CCP should have rules and procedures that enable the segregation and portability of positions of a participant's customers and the collateral provided to the CCP with respect to those positions.	A CCP should structure its portability arrangements in a way that makes it highly likely that the positions and collateral of a defaulting participant's customers will be transferred to one or more other participants.	Art. 51 FMIO	Consistent	
CCP	14.4	A CCP should have rules and procedures that enable the segregation and portability of positions of a participant's customers and the collateral provided to the CCP with respect to those positions.	A CCP should disclose its rules, policies, and procedures relating to the segregation and portability of a participant's customers' positions and related collateral. In particular, the CCP should disclose whether customer collateral is protected on an individual or omnibus basis. In addition, a CCP should disclose any constraints, such as legal or operational constraints, that may impair its ability to segregate or port a participant's customers' positions and related collateral.	Art. 19 FMIO Art. 21 FMIA	Consistent	The Swiss regulations do not explicitly address the requirement to disclose any constraints, such as legal or operational constraints, by the CCP regarding its ability to segregate or port a participant's customers' positions and collateral. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.
CCP	15.0	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.		Art. 22, Art. 24(1), Art. 25(2), Art. 51, Art. 52 FMIA Art. 9, Art. 20, Art. 48, Art. 72(1) FMIO Art. 27(1), Art. 30 NBO Title 3 Capital Adequacy Ordinance (CAO)	Broadly consistent	The implementation measures are broadly consistent with Principle 15. The overall rating has been influenced by the significant gaps or shortcomings regarding KC 3. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KC 3.
CCP	15.1	A CCP should have rules and procedures that enable the segregation and portability of positions of a participant's customers and the collateral provided to the CCP with respect to those positions.	An FMI should have robust management and control systems to identify, monitor, and manage general business risks, including losses from poor execution of business strategy, negative cash flows, or unexpected and excessively large operating expenses.	Art. 27(1) NBO Art. 9 FMIO	Broadly consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	15.2	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.	An FMI should hold liquid net assets funded by equity (such as common stock, disclosed reserves, or other retained earnings) so that it can continue operations and services as a going concern if it incurs general business losses. The amount of liquid net assets funded by equity an FMI should hold should be determined by its general business risk profile and the length of time required to achieve a recovery or orderly wind-down, as appropriate, of its critical operations and services if such action is taken.	Art. 51(1), Art. 53(2)(c) FMIA Art. 48, Art. 52(2), Art. 72 FMIO Art. 42, Art. 45, Titles 1 to 3 CAO	Broadly consistent	
CCP	15.3	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.	An FMI should maintain a viable recovery or orderly wind-down plan and should hold sufficient liquid net assets funded by equity to implement this plan. At a minimum, an FMI should hold liquid net assets funded by equity equal to at least six months of current operating expenses. These assets are in addition to resources held to cover participant defaults or other risks covered under the financial resources principles. However, equity held under international risk-based capital standards can be included where relevant and appropriate to avoid duplicate capital requirements.	Art. 22(2), Art. 24(1), Art. 25(2), Art. 53(2)(c) FMIA Art. 20, Art. 48, Art. 72 FMIO Art. 42, Art. 45, Titles 1 to 3 CAO	Broadly consistent	There is a significant gap in the Swiss regulation which allows the FINMA to ease the capital requirement on FMIs. The easing may go below the minimum requirement which is not in line with the PFMI requirement that, “at a minimum, an FMI should hold liquid net assets funded by equity equal to at least six months of current operating expenses.” Swiss authorities are recommended to clarify the circumstances in which FINMA is permitted to ease the capital requirement on FMIs in a manner that is consistent with the Principle. Swiss authorities are recommended to clarify that the definition of capital is consistent with the key consideration.
CCP	15.4	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.	Assets held to cover general business risk should be of high quality and sufficiently liquid in order to allow the FMI to meet its current and projected operating expenses under a range of scenarios, including in adverse market conditions.	Art. 30(3) NBO See also the response to KC 2 above	Broadly consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	15.5	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.	An FMI should maintain a viable plan for raising additional equity should its equity fall close to or below the amount needed. This plan should be approved by the board of directors and updated regularly.	Art. 20(2), Art. 20(4), Art. 48(1–6) FMIO	Broadly consistent	
CCP	16.0	An FMI should safeguard its own and its participants' assets and minimise the risk of loss on and delay in access to these assets. An FMI's investments should be in instruments with minimal credit, market, and liquidity risks.		Art. 52(2) FMIA Art. 46(4) FMIO Art. 24a, Art. 28a, Art. 30 NBO	Broadly consistent	The implementation measures of the Swiss regulators are broadly consistent with Principle 16. The overall rating has been influenced by the minor gaps or shortcomings regarding KC 1 and KC 2. Switzerland is recommended to implement measures that address the identified gaps or inconsistencies related to KCs 1 and 2.
CCP	16.1	An FMI should safeguard its own and its participants' assets and minimise the risk of loss on and delay in access to these assets. An FMI's investments should be in instruments with minimal credit, market, and liquidity risks.	An FMI should hold its own and its participants' assets at supervised and regulated entities that have robust accounting practices, safekeeping procedures, and internal controls that fully protect these assets.	Art. 46(4) FMIO Art. 30(1), Art. 30(3) NBO	Broadly consistent	There is a minor gap in the Swiss regulations, which do not require assets to be held at "supervised and regulated entities that have robust accounting practices, safekeeping procedures, and internal controls that fully protect these assets". The regulations only require this in so far as it is possible. This shortcoming is assessed to be minor, having taken into consideration that the Swiss authorities during their oversight and supervisory activities do not allow for FMIs to use entities that are not regulated and supervised, unless those custodians are central banks.
CCP	16.2	An FMI should safeguard its own and its participants' assets and minimise the risk of loss on and delay in access to these assets. An FMI's investments should be in instruments with minimal credit, market, and liquidity risks.	An FMI should have prompt access to its assets and the assets provided by participants, when required.	Art. 46(2), Art. 46(4) FMIO Art. 28a(4), Art. 24a(1) NBO	Broadly consistent	There is a minor gap in the Swiss regulations since there is no reference to having prompt access to the FMI's own assets; there is, however, reference to having prompt access to participants' assets.
CCP	16.3	An FMI should safeguard its own and its participants' assets and minimise the risk of loss on and delay in access to these assets. An FMI's investments should be in instruments with minimal credit, market, and liquidity risks.	An FMI should evaluate and understand its exposures to its custodian banks, taking into account the full scope of its relationships with each.	Art. 30(1) NBO Art. 46(4) FMIO	Broadly consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	16.4	An FMI should safeguard its own and its participants' assets and minimise the risk of loss on and delay in access to these assets. An FMI's investments should be in instruments with minimal credit, market, and liquidity risks.	An FMI's investment strategy should be consistent with its overall risk-management strategy and fully disclosed to its participants, and investments should be secured by, or be claims on, high-quality obligors. These investments should allow for quick liquidation with little, if any, adverse price effect.	Art. 30(3) NBO Art. 52(2) FMIA	Broadly consistent	
CCP	17.0	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.		Art. 8, Art. 11, Art. 13, Art. 14, Art. 18 FMIA Art. 8(3), Art. 9(1), Art. 11, Art. 14, Art. 15, Art. 17, Art. 45(2) FMIO Art. 27(1), Art.32, Art. 32a, Art. 32b, Art. 32c, Art. 34, Art. 37 NBO	Consistent	The implementation measures are consistent with Principle 17, however, there are minor gaps or shortcomings with KC 2 that have no material impact on completeness or consistency. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KC 2.
CCP	17.1	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should establish a robust operational risk-management framework with appropriate systems, policies, procedures, and controls to identify, monitor, and manage operational risks.	Art. 27(1), Art. 32 NBO Art. 9(1) FMIO Art. 13(1) FMIA	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	17.2	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI's board of directors should clearly define the roles and responsibilities for addressing operational risk and should endorse the FMI's operational risk-management framework. Systems, operational policies, procedures, and controls should be reviewed, audited, and tested periodically and after significant changes.	Art. 8(2), Art. 13(1) FMIA Art. 8(3), Art. 14(1), (2) and (4) FMIO Art. 32a(2), Art. 32a(4), Art. 32b(3–5), Art. 37(3) NBO	Consistent	There is a minor gap stemming from the absence of an explicit requirement to periodically, and after significant changes, test systems, operational policies and controls.
CCP	17.3	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should have clearly defined operational reliability objectives and should have policies in place that are designed to achieve those objectives.	Art. 14(2) and (3) FMIO Art. 32a(2) and (3) NBO	Consistent	
CCP	17.4	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should ensure that it has scalable capacity adequate to handle increasing stress volumes and to achieve its service-level objectives.	Art. 45(2) FMIO Art. 32a(3) NBO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	17.5	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should have comprehensive physical and information security policies that address all potential vulnerabilities and threats.	Art. 32, Art. 32a(1), Art. 32a(3), Art. 32c NBO Art. 14 FMIA Art. 15 FMIO	Consistent	
CCP	17.6	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should have a business continuity plan that addresses events posing a significant risk of disrupting operations, including events that could cause a wide-scale or major disruption. The plan should incorporate the use of a secondary site and should be designed to ensure that critical information technology (IT) systems can resume operations within two hours following disruptive events. The plan should be designed to enable the FMI to complete settlement by the end of the day of the disruption, even in case of extreme circumstances. The FMI should regularly test these arrangements.	Art. 32a, Art. 32b, Art. 32c NBO	Consistent	
CCP	17.7	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should identify, monitor, and manage the risks that key participants, other FMIs, and service and utility providers might pose to its operations. In addition, an FMI should identify, monitor, and manage the risks its operations might pose to other FMIs.	Art. 8(3), Art. 11, Art. 17(2) FMIO Art. 27(1), Art. 27(3), Art. 32, Art. 32b, Art. 34(1) NBO Art. 11, Art. 18(2) FMIA	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	18.0	An FMI should have objective, risk-based, and publicly disclosed criteria for participation, which permit fair and open access.		Art. 18, Art. 21, Art. 56 FMIA Art. 23(1), Art. 24 NBO Art. 17, Art. 19 FMIO	Consistent	
CCP	18.1	An FMI should have objective, risk-based, and publicly disclosed criteria for participation, which permit fair and open access.	An FMI should allow for fair and open access to its services, including by direct and, where relevant, indirect participants and other FMIs, based on reasonable risk-related participation requirements.	Art. 18(1), Art. 21(1), Art. 56(2) FMIA Art. 17(2) FMIO Art. 23(1) NBO	Consistent	
CCP	18.2	An FMI should have objective, risk-based, and publicly disclosed criteria for participation, which permit fair and open access.	An FMI's participation requirements should be justified in terms of the safety and efficiency of the FMI and the markets it serves, be tailored to and commensurate with the FMI's specific risks, and be publicly disclosed. Subject to maintaining acceptable risk control standards, an FMI should endeavour to set requirements that have the least-restrictive impact on access that circumstances permit.	Art. 18(2) FMIA Art. 17 FMIO	Consistent	
CCP	18.3	An FMI should have objective, risk-based, and publicly disclosed criteria for participation, which permit fair and open access.	An FMI should monitor compliance with its participation requirements on an ongoing basis and have clearly defined and publicly disclosed procedures for facilitating the suspension and orderly exit of a participant that breaches, or no longer meets, the participation requirements.	Art. 23(1), Art. 24(4), Art. 24(5) NBO Art. 19 FMIO	Consistent	
CCP	19.0	An FMI should identify, monitor, and manage the material risks to the FMI arising from tiered participation arrangements.		Art. 9(3–4) Art. 45 FMIO	Broadly consistent	The implementation measures of the Swiss regulators are broadly consistent with Principle 19. The overall rating has been influenced by the minor gaps or shortcomings regarding KCs 1, 2, 3 and 4. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KCs 1, 2, 3 and 4.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	19.1	An FMI should identify, monitor, and manage the material risks to the FMI arising from tiered participation arrangements.	An FMI should ensure that its rules, procedures, and agreements allow it to gather basic information about indirect participation in order to identify, monitor, and manage any material risks to the FMI arising from such tiered participation arrangements.	Art. 45(1) FMIO Art. 9(3), Art. 9(4) FMIO	Broadly consistent	There is a minor gap regarding the requirement that FMIs should ensure that their rules, procedures, and agreements allow them to gather basic information about indirect participation, regardless of the type of the indirect participant. The Swiss regulations only require FMIs to gather this information for indirect participants that are identifiable to the FMI.
CCP	19.2	An FMI should identify, monitor, and manage the material risks to the FMI arising from tiered participation arrangements.	An FMI should identify material dependencies between direct and indirect participants that might affect the FMI.	Art. 9(3), Art. 9(4), Art. 45(1) FMIO	Broadly consistent	There is a minor gap regarding the requirement that FMIs should identify material dependencies between direct and indirect participants that might affect the FMI. The Swiss regulations only require FMIs to gather this information for indirect participants that are identifiable to the FMI.
CCP	19.3	An FMI should identify, monitor, and manage the material risks to the FMI arising from tiered participation arrangements.	An FMI should identify indirect participants responsible for a significant proportion of transactions processed by the FMI and indirect participants whose transaction volumes or values are large relative to the capacity of the direct participants through which they access the FMI in order to manage the risks arising from these transactions.	Art. 9(3), Art. 9(4) FMIO Art. 27(1) NBO	Broadly consistent	There is a minor gap regarding the requirement that FMIs should ensure that their rules, procedures, and agreements allow them to gather basic information about indirect participation, regardless of the type of the indirect participant. The Swiss regulations only require FMIs to gather this information for indirect participants that are identifiable to the FMI.
CCP	19.4	An FMI should identify, monitor, and manage the material risks to the FMI arising from tiered participation arrangements.	An FMI should regularly review risks arising from tiered participation arrangements and should take mitigating action when appropriate.	Art. 9(3) FMIO Art. 27(1) NBO	Broadly consistent	There is a minor gap in the Swiss regulations regarding the requirement that FMIs should regularly review risks arising from tiered participation arrangements and should take mitigating action when appropriate. However, there are general risk provisions that may capture this.
CCP	20.0	An FMI that establishes a link with one or more FMIs should identify, monitor, and manage link-related risks.		Art. 56, Art. 57 FMIA Art. 23, Art. 34 NBO	Consistent	
CCP	20.1	An FMI that establishes a link with one or more FMIs should identify, monitor, and manage link-related risks.	Before entering into a link arrangement and on an ongoing basis once the link is established, an FMI should identify, monitor, and manage all potential sources of risk arising from the link arrangement. Link arrangements should be designed such that each FMI is able to observe the other principles in this report.	Art. 28a, Art. 34(1), Art. 34(3) NBO Art. 11, Art. 56(2), Art. 57(1–2) FMIA Art. 11 and 12 FMIO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	20.2	An FMI that establishes a link with one or more FMIs should identify, monitor, and manage link-related risks.	A link should have a well-founded legal basis, in all relevant jurisdictions, that supports its design and provides adequate protection to the FMIs involved in the link.	Art. 23(1–2) NBO Art. 57(1–2) FMIA	Consistent	
CCP	20.7	An FMI that establishes a link with one or more FMIs should identify, monitor, and manage link-related risks.	Before entering into a link with another CCP, a CCP should identify and manage the potential spill-over effects from the default of the linked CCP. If a link has three or more CCPs, each CCP should identify, assess, and manage the risks of the collective link arrangement.	Art. 56(2), Art. 57 FMIA Art. 23, Art. 28a, Art. 34 NBO	Consistent	
CCP	20.8	An FMI that establishes a link with one or more FMIs should identify, monitor, and manage link-related risks.	Each CCP in a CCP link arrangement should be able to cover, at least on a daily basis, its current and potential future exposures to the linked CCP and its participants, if any, fully with a high degree of confidence without reducing the CCP's ability to fulfil its obligations to its own participants at any time.	Art. 57(2) FMIA Art. 28a, Art. 34(3) NBO	Consistent	
CCP	21.0	An FMI should be efficient and effective in meeting the requirements of its participants and the markets it serves.		Art. 8 FMIA Art. 6, Art. 8, Art. 45(1) FMIO	Broadly consistent	The implementation measures of the Swiss regulators are broadly consistent with Principle 21. The overall rating has been influenced by the minor gaps or shortcomings regarding KC 2 and KC 3. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KCs 2 and 3.
CCP	21.1	An FMI should be efficient and effective in meeting the requirements of its participants and the markets it serves.	An FMI should be designed to meet the needs of its participants and the markets it serves, in particular, with regard to choice of a clearing and settlement arrangement; operating structure; scope of products cleared, settled, or recorded; and use of technology and procedures.	Art. 8(2) FMIA Art. 6, Art. 8(5), Art. 45(1)FMIO	Broadly consistent	
CCP	21.2	An FMI should be efficient and effective in meeting the requirements of its participants and the markets it serves.	An FMI should have clearly defined goals and objectives that are measurable and achievable, such as in the areas of minimum service levels, risk-management expectations, and business priorities.	Art. 8(2) FMIA Art. 6 FMIO	Broadly consistent	While the Swiss regulations require appropriate corporate management rules and organisation there is a minor gap since there are no explicit requirements for these to be measurable and achievable.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	21.3	An FMI should be efficient and effective in meeting the requirements of its participants and the markets it serves.	An FMI should have established mechanisms for the regular review of its efficiency and effectiveness.	Art. 8(2), Art. 8(3) FMIA Art. 8(3) FMIO	Broadly consistent	While the Swiss regulations require appropriate corporate management rules and organisation and that the boards work should be evaluated regularly, there is, however, a minor gap regarding explicit requirements on mechanisms for the regular review of an FMI's efficiency and effectiveness.
CCP	22.0	An FMI should use, or at a minimum accommodate, relevant internationally accepted communication procedures and standards in order to facilitate efficient payment, clearing, settlement, and recording.		Art. 14 FMIA Art. 8(5), Art. 15 FMIO Art. 32 NBO	Not consistent	While the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI, there is no explicit requirement on FMIs to accommodate internationally expected communications procedures and standards. Switzerland is recommended to implement measures which address the identified gaps and inconsistencies related to Principle 22.
CCP	22.1	An FMI should use, or at a minimum accommodate, relevant internationally accepted communication procedures and standards in order to facilitate efficient payment, clearing, settlement, and recording.	An FMI should use, or at a minimum accommodate, internationally accepted communication procedures and standards.	Art. 14 FMIA Art. 8(3), Art. 15 FMIO Art. 32 NBO	Not consistent	While the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI, there is no explicit requirement on FMIs to accommodate internationally expected communications procedures and standards.
CCP	23.0	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.		Art. 21 FMIA Art. 19 FMIO Art. 23 NBO	Consistent	The implementation measures are consistent with Principle 23, although there are gaps or shortcomings with KC 3 that have no material impact on completeness or consistency. Wherever there are inconsistencies in language between the Swiss regulations and the PFMI, Switzerland is recommended to consider providing clarity to FMIs with respect to minimum standards.
CCP	23.1	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.	An FMI should adopt clear and comprehensive rules and procedures that are fully disclosed to participants. Relevant rules and key procedures should also be publicly disclosed.	Art. 23(1) NBO Art. 21 FMIA Art. 19 FMIO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CCP	23.2	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.	An FMI should disclose clear descriptions of the system's design and operations, as well as the FMI's and participants' rights and obligations, so that participants can assess the risks they would incur by participating in the FMI.	Art. 21 FMIA Art. 19 FMIO	Consistent	
CCP	23.3	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.	An FMI should provide all necessary and appropriate documentation and training to facilitate participants' understanding of the FMI's rules and procedures and the risks they face from participating in the FMI.	Art. 21 FMIA Art. 19 FMIO	Consistent	The Swiss regulation does not require a CCP to provide training to facilitate participants' understanding of rules and procedures and risks they face from participating in the FMI. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.
CCP	23.4	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.	An FMI should publicly disclose its fees at the level of individual services it offers as well as its policies on any available discounts. The FMI should provide clear descriptions of priced services for comparability purposes.	Art. 19 FMIO Art. 21 FMIA	Consistent	
CCP	23.5	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.	An FMI should complete regularly and disclose publicly responses to the CPSS-IOSCO Disclosure framework for financial market infrastructures. An FMI also should, at a minimum, disclose basic data on transaction volumes and values.	Art. 21 FMIA Art. 19 FMIO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	1.0	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.		Art. 23, Art. 27(1), National Bank Ordinance (NBO) Art. 4(1), Art. 5, Art. 6, Art. 21, Art. 22, Art. 88, 89 and 92 Financial Market Infrastructure Act (FMIA) Art. 19 Financial Market Infrastructure Ordinance (FMIO) Art. 27, Art. 30a, Swiss Federal Act on Banks and Saving Banks (BA)	Consistent	The implementation measures for CSDs are consistent with Principle 1, although there is a minor gap or shortcoming for KC 5 that has no material impact on completeness or consistency. Switzerland is recommended to implement measures which address the gaps or identified inconsistencies related to KC5. Furthermore, wherever there are inconsistencies in language between the Swiss regulations and the PFMI, Switzerland is recommended to consider providing clarity to CSD/SSSs with respect to minimum standards.
CSD_SSS	1.1	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.	The legal basis should provide a high degree of certainty for each material aspect of an FMI's activities in all relevant jurisdictions.	Art. 21a–34 NBO (Art. 4(1), Art. 4(3), Art. 5, Art. 6, Art. 8–21, Art. 22, Art. 23, Art. 24, Art. 61–73, Art. 88, Art. 89 and 92 FMIA Art. 4–19, Art. 20, Art. 21, Art. 52–58. Art. 73–75 FMIO Art. 24–37 and 37d–37g BA	Consistent	Inconsistency in language: The Swiss regulations address the need for legal basis to provide a high degree of certainty, but do not explicitly address the need for a high degree of certainty in all relevant jurisdictions. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.
CSD_SSS	1.2	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.	An FMI should have rules, procedures, and contracts that are clear, understandable, and consistent with relevant laws and regulations.	Art. 23(1), Art. 23(2) NBO Relevant requirements in FMIA/FMIO and NBA/NBO (eg, Art. 28, Art. 29, Art. 32 NBO Art. 4, 5, 7, Art. 21 and 25 FMIA Art. 19 FMIO	Consistent	
CSD_SSS	1.3	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.	An FMI should be able to articulate the legal basis for its activities to relevant authorities, participants, and, where relevant, participants' customers, in a clear and understandable way.	Art. 23(1), Art. 23(2) NBO Relevant requirements in FMIA/FMIO and NBA/NBO (eg Art. 28, Art. 29, Art. 32 NBO Art. 4, 5, 7, Art. 21 and 25 FMIA Art. 19 FMIO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	1.4	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.	An FMI should have rules, procedures, and contracts that are enforceable in all relevant jurisdictions. There should be a high degree of certainty that actions taken by the FMI under such rules and procedures will not be voided, reversed, or subject to stays.	Art. 27(1), Art. 23(2) NBO Art. 88(1), 89(2–3), Art. 92 FMIA Art. 24–37 and 37d–37g BA	Consistent	Inconsistency in language: The Swiss regulations do not explicitly address the need for a high degree of certainty that actions of the FMI will not be voided, reversed or subject to stays in all relevant jurisdictions. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.
CSD_SSS	1.5	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.	An FMI conducting business in multiple jurisdictions should identify and mitigate the risks arising from any potential conflict of laws across jurisdictions.	Art. 23(2), Art. 27(1) NBO Art. 8(3) FMIA Art. 9 FMIO	Consistent	There is a minor gap as the Swiss regulations do not explicitly address the need for FMIs conducting business in multiple jurisdictions to identify and manage risks arising from potential conflict of laws across jurisdictions.
CSD_SSS	2.0	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.		Art. 1(2), Art. 8, Art. 9, Art. 19, Art. 20, Art. 21, Art. 23, Financial Market Infrastructure Act (FMIA) Art. 4, Art. 5, Art. 8, Art. 9, Art. 10, Art. 18, Art. 19, Art. 52 Financial Market Infrastructure Ordinance (FMIO) Art. 36 National Bank Ordinance (NBO) Art. 620 et seq. Swiss Code of Obligations (CO) FINMA Circular 2017/01 on Corporate Governance - banks FINMA Circular 2013/03Auditing	Broadly consistent	The implementation measures for CSDs are broadly consistent with Principle 2. The overall rating has been influenced by the minor gaps or shortcomings in the implementation measures for KCs 1, 3 and 6. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KC 1, 3 and 6.
CSD_SSS	2.1	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	An FMI should have objectives that place a high priority on the safety and efficiency of the FMI and explicitly support financial stability and other relevant public interest considerations.	(Art. 1(2) FMIA), (Art. 8(1) FMIA), Art. 23(1) FMIA (Art. 4(2) FMIO)	Broadly consistent	There is a minor gap as the Swiss regulations do not explicitly address the need for FMIs to have objectives that explicitly support financial stability and other relevant public interest considerations

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	2.2	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	An FMI should have documented governance arrangements that provide clear and direct lines of responsibility and accountability. These arrangements should be disclosed to owners, relevant authorities, participants, and, at a more general level, the public.	Art. 8(2), Art. 19 FMIA, Art. 21(1) FMIA Art. 4(1), 4(2), Art. 5(1), Art. 5(2), Art. 6–10, Art. 13, Art. 48, 49, 56, 57, 69; Art. 71 FMIO Art. 36(1), Art. 36(2) NBO In addition to these rules, general rules of the company law apply to FMIs (e.g. Art. 620 et seq. CO or Art. 716b of the CO) FINMA requires FMIs to comply with substantial parts of the FINMA Circular on Corporate Governance	Broadly consistent	
CSD_SSS	2.3	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	The roles and responsibilities of an FMI's board of directors (or equivalent) should be clearly specified, and there should be documented procedures for its functioning, including procedures to identify, address, and manage member conflicts of interest. The board should review both its overall performance and the performance of its individual board members regularly.	Art. 8(2), Art. 20 FMIA Art. 8(1), Art. 8(2) Art. 8(3) Art. 8(4) FMIO FINMA Circular on Governance	Broadly consistent	There is a minor gap due to the fact that, while there is a requirement for FMIs to assess the board's overall performance, the requirement to ask the board to regularly review the performance of its individual board members is not explicitly addressed by the Swiss regulations.
CSD_SSS	2.4	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	The board should contain suitable members with the appropriate skills and incentives to fulfil its multiple roles. This typically requires the inclusion of non-executive board member(s).	Art. 8(1), Art. 8(2), Art. 8(4), Art. 10(1) FMIO Art. 9(1–3) FMIA See also response to KC 3	Broadly consistent	
CSD_SSS	2.5	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	The roles and responsibilities of management should be clearly specified. An FMI's management should have the appropriate experience, a mix of skills, and the integrity necessary to discharge their responsibilities for the operation and risk management of the FMI.	Art. 8(1), Art. 8(2), Art. 8(3), Art. 10(1) FMIO Art. 8(2–3), Art. 9(1–3) FMIA	Broadly consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	2.6	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	The board should establish a clear, documented risk-management framework that includes the FMI's risk-tolerance policy, assigns responsibilities and accountability for risk decisions, and addresses decision making in crises and emergencies. Governance arrangements should ensure that the risk-management and internal control functions have sufficient authority, independence, resources, and access to the board.	Art. 8(3) FMIA Art. 8(3) FMIO Art. 9(4–6) FMIO FINMA Circular on auditing	Broadly consistent	There is a minor gap as the Swiss regulations do not explicitly address the need for the risk management function to have sufficient authority, independence, resources, and access to the board.
CSD_SSS	2.7	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	The board should ensure that the FMI's design, rules, overall strategy, and major decisions reflect appropriately the legitimate interests of its direct and indirect participants and other relevant stakeholders. Major decisions should be clearly disclosed to relevant stakeholders and, where there is a broad market impact, the public.	Art. 8(5), Art. 18, Art. 19, Art. 52(1) Art. 52(2) FMIO Art. 21 FMIA See also responses under Principles 18 and 23 for full disclosure requirements	Broadly consistent	
CSD_SSS	3.0	An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.		Art. 8, Art. 13, Art. 14, Art. 24, Art. 84 FMIA Art. 9, Art. 14, Art. 15, Art. 20, Art. 52, Art. 72 FMIO Art. 27, Art. 37 NBO Art. 9(1) Federal Act on the Licensing and Oversight of Auditors (Auditor Oversight Act, AOA) FINMA Circular 2013/03 Auditing	Consistent	Wherever there are inconsistencies in language between the Swiss regulations and the PFMI, Switzerland is recommended to consider providing clarity to CSD/SSSs with respect to minimum standards.
CSD_SSS	3.1	An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.	An FMI should have risk-management policies, procedures, and systems that enable it to identify, measure, monitor, and manage the range of risks that arise in or are borne by the FMI. Risk-management frameworks should be subject to periodic review.	Art. 8(3), Art. 84(1), Art. 84(3) FMIA Art. 9(1), Art. 9(4), Art. 9(5), Art. 9(6) FMIO Art. 9a(1) AOA Art. 24 Federal Act of 22 June 2007 on the Swiss Financial Market Supervision Authority (FINMASA) Art. 27(1), Art. 37(1) NBO	Consistent	Inconsistency in language: The Swiss regulations address the need for FMIs to have a risk management framework but do not explicitly address the need for FMIs to manage the material risks that they pose to other entities. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	3.2	An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.	An FMI should provide incentives to participants and, where relevant, their customers to manage and contain the risks they pose to the FMI.	Art. 9(2), Art. 9(3), Art. 52(1) FMIO Art. 52(2) FMIO Art. 27(2–3) NBO	Consistent	
CSD_SSS	3.3	An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.	An FMI should regularly review the material risks it bears from and poses to other entities (such as other FMIs, settlement banks, liquidity providers, and service providers) as a result of interdependencies and develop appropriate risk-management tools to address these risks.	Art. 52(1), Art. 52(2) FMIO Art. 27(1–2) NBO See also responses under Principle 20	Consistent	Inconsistency in language: The Swiss regulations address the need for FMIs to have a risk management framework, but do not explicitly address the need for FMIs to manage the material risks that they pose to other entities. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.
CSD_SSS	3.4	An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.	An FMI should identify scenarios that may potentially prevent it from being able to provide its critical operations and services as a going concern and assess the effectiveness of a full range of options for recovery or orderly wind-down. An FMI should prepare appropriate plans for its recovery or orderly wind-down based on the results of that assessment. Where applicable, an FMI should also provide relevant authorities with the information needed for purposes of resolution planning.	Art. 13(1–2, Art. 14(1), Art. 14(2), Art. 24 FMIA Art. 14(1), Art. 14(2), Art. 14(3), Art. 15(1), (Art. 15(2), Art. 20–21, Art. 45(2), Art. 72 FMIO Article 26 of the NBO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	4.0	An FMI should effectively measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes. An FMI should maintain sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence. In addition, a CCP that is involved in activities with a more-complex risk profile or that is systemically important in multiple jurisdictions should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the two participants and their affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions. All other CCPs should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions.		Art. 8(3), Art. 24(1), Art. 62(5), Art. 64(1) FMIA Art. 9(1), Art. 54(1) FMIO Art. 24a, Art. 27, Art. 28, Art. 34(2) NBO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	4.1	An FMI should effectively measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes. An FMI should maintain sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence. In addition, a CCP that is involved in activities with a more-complex risk profile or that is systemically important in multiple jurisdictions should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the two participants and their affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions. All other CCPs should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions.	An FMI should establish a robust framework to manage its credit exposures to its participants and the credit risks arising from its payment, clearing, and settlement processes. Credit exposure may arise from current exposures, potential future exposures, or both.	Art. 8(3), Art. 64(1) FMIA Art. 9(1), Art. 54(1) FMIO Art. 27(1), Art. 28, Art. 28a NBO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	4.2	An FMI should effectively measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes. An FMI should maintain sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence. In addition, a CCP that is involved in activities with a more-complex risk profile or that is systemically important in multiple jurisdictions should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the two participants and their affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions. All other CCPs should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions.	An FMI should identify sources of credit risk, routinely measure and monitor credit exposures, and use appropriate risk-management tools to control these risks.	Art. 27, Art. 28 NBO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	4.3	An FMI should effectively measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes. An FMI should maintain sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence. In addition, a CCP that is involved in activities with a more-complex risk profile or that is systemically important in multiple jurisdictions should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the two participants and their affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions. All other CCPs should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions.	A payment system or SSS should cover its current and, where they exist, potential future exposures to each participant fully with a high degree of confidence using collateral and other equivalent financial resources (see Principle 5 on collateral). In the case of a DNS payment system or DNS SSS in which there is no settlement guarantee but where its participants face credit exposures arising from its payment, clearing, and settlement processes, such an FMI should maintain, at a minimum, sufficient resources to cover the exposures of the two participants and their affiliates that would create the largest aggregate credit exposure in the system.	Art. 28, Art. 34(2) NBO Art. 62(5) FMIA	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	4.7	An FMI should effectively measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes. An FMI should maintain sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence. In addition, a CCP that is involved in activities with a more-complex risk profile or that is systemically important in multiple jurisdictions should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the two participants and their affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions. All other CCPs should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions.	An FMI should establish explicit rules and procedures that address fully any credit losses it may face as a result of any individual or combined default among its participants with respect to any of their obligations to the FMI. These rules and procedures should address how potentially uncovered credit losses would be allocated, including the repayment of any funds an FMI may borrow from liquidity providers. These rules and procedures should also indicate the FMI's process to replenish any financial resources that the FMI may employ during a stress event, so that the FMI can continue to operate in a safe and sound manner.	Art. 54(1) FMIO Art. 24a NBO, Art. 28(2) NBO Art. 24(1) FMIA	Consistent	
CSD_SSS	5.0	An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity, and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits.		Art. 64 FMIA Art. 54 FMIO Art. 27, Art. 28 NBO, Art. 28a NBO, Art. 30 NBO	Consistent	The implementation measures for CSDs are consistent with Principle 5, although there are minor gaps or shortcomings with KC 6 that have no material impact on completeness or consistency. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KC 6.
CSD_SSS	5.1	An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity, and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits.	An FMI should generally limit the assets it (routinely) accepts as collateral to those with low credit, liquidity, and market risks.	Art. 64(2) FMIA Art. 28a(1)NBO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	5.2	An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity, and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits.	An FMI should establish prudent valuation practices and develop haircuts that are regularly tested and take into account stressed market conditions.	Art. 54(3)FMIO Art. 64(2) FMIA Art. 28a(2)NBO	Consistent	
CSD_SSS	5.3	An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity, and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits.	In order to reduce the need for procyclical adjustments, an FMI should establish stable and conservative haircuts that are calibrated to include periods of stressed market conditions, to the extent practicable and prudent.	Art. 64(2) FMIA Art. 27(2), Art. 28a(2) NBO	Consistent	
CSD_SSS	5.4	An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity, and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits.	An FMI should avoid concentrated holdings of certain assets where this would significantly impair the ability to liquidate such assets quickly without significant adverse price effects.	Art. 54(2) FMIO Art. 28a(3) NBO	Consistent	
CSD_SSS	5.5	An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity, and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits.	An FMI that accepts cross-border collateral should mitigate the risks associated with its use and ensure that the collateral can be used in a timely manner.	Art. 54(4) FMIO Art. 28a(4) NBO	Consistent	
CSD_SSS	5.6	An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity, and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits.	An FMI should use a collateral management system that is well-designed and operationally flexible.	Art. 27(3), Art. 28(1), Art.30(3) NBO	Consistent	There is a minor gap as the Swiss regulations do not explicitly address the need for FMIs to use a collateral management system and do not explicitly require that such a collateral management system be well-designed and operationally flexible. Rather, the regulations, among other things, require the FMI to provide tools and incentives for the participants to continuously contain risks and manage risks through the appropriate procedures and tools.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	7.0	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.		Art. 8(3), Art. 62(5), Art. 65, Art. 67, Art. 68 FMIA Art. 9(1), Art. 58 FMIO Art. 24a, Art. 27, Art. 29 NBO	Partly consistent	The implementation measures for CSDs are broadly consistent with Principle 7. The overall rating has been influenced by gaps or shortcomings in the implementation measures for KCs 2, 5 and 9. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KCs 2, 5 and 9.
CSD_SSS	7.1	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	An FMI should have a robust framework to manage its liquidity risks from its participants, settlement banks, nostro agents, custodian banks, liquidity providers, and other entities.	Art. 8(3) FMIA Art. 9(1) FMIO Art. 27 NBO	Partly consistent	
CSD_SSS	7.2	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	An FMI should have effective operational and analytical tools to identify, measure, and monitor its settlement and funding flows on an ongoing and timely basis, including its use of intraday liquidity.	Art. 27 NBO Art. 29(1–2), (6) NBO Art. 62(5) FMIA	Partly consistent	The Swiss regulations do not explicitly address the need for FMIs to monitor and manage their intraday liquidity.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	7.3	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	A payment system or SSS, including one employing a DNS mechanism, should maintain sufficient liquid resources in all relevant currencies to effect same-day settlement, and where appropriate intraday or multiday settlement, of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate payment obligation in extreme but plausible market conditions.	Art. 62(5) FMIA, Art. 67(1) FMIA Art. 58(2) FMIO Art. 29(2) and (6) NBO	Partly consistent	
CSD_SSS	7.5	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	For the purpose of meeting its minimum liquid resource requirement, an FMI's qualifying liquid resources in each currency include cash at the central bank of issue and at creditworthy commercial banks, committed lines of credit, committed foreign exchange swaps, and committed repos, as well as highly marketable collateral held in custody and investments that are readily available and convertible into cash with prearranged and highly reliable funding arrangements, even in extreme but plausible market conditions. If an FMI has access to routine credit at the central bank of issue, the FMI may count such access as part of the minimum requirement to the extent it has collateral that is eligible for pledging to (or for conducting other appropriate forms of transactions with) the relevant central bank. All such resources should be available when needed.	Art. 67(1) FMIA Art. 58(1) FMIO Art. 29(4) NBO	Partly consistent	While the Swiss regulations explicitly address what types of resources an FMI can use for the purpose of meeting its minimum liquid resource requirement, they do not explicitly specify the requirement for FMIs to put in place pre-arranged and highly reliable funding arrangements for converting FX balances or liquidating non-cash collateral through sales. This shortcoming is assessed to be material. Switzerland is recommended to make explicit that its definition of qualifying liquid resources includes cash balances in foreign currencies only if that have corresponding "prearranged and highly reliable" funding arrangements.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	7.6	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	An FMI may supplement its qualifying liquid resources with other forms of liquid resources. If the FMI does so, then these liquid resources should be in the form of assets that are likely to be saleable or acceptable as collateral for lines of credit, swaps, or repos on an ad hoc basis following a default, even if this cannot be reliably prearranged or guaranteed in extreme market conditions. Even if an FMI does not have access to routine central bank credit, it should still take account of what collateral is typically accepted by the relevant central bank, as such assets may be more likely to be liquid in stressed circumstances. An FMI should not assume the availability of emergency central bank credit as a part of its liquidity plan.	Art. 67(1) FMIA Art. 58(1) FMIO	Partly consistent	
CSD_SSS	7.7	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	An FMI should obtain a high degree of confidence, through rigorous due diligence, that each provider of its minimum required qualifying liquid resources, whether a participant of the FMI or an external party, has sufficient information to understand and to manage its associated liquidity risks, and that it has the capacity to perform as required under its commitment. Where relevant to assessing a liquidity provider's performance reliability with respect to a particular currency, a liquidity provider's potential access to credit from the central bank of issue may be taken into account. An FMI should regularly test its procedures for accessing its liquid resources at a liquidity provider.	Art. 29(3) NBO	Partly consistent	Inconsistency in language: The Swiss regulations address the need for FMIs to conduct due diligence on liquidity providers' creditworthiness and ability to meet their obligations, but do not explicitly address the need to conduct due diligence to obtain a high degree of confidence that liquidity providers have sufficient information to understand and manage their associated risks. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	7.8	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	An FMI with access to central bank accounts, payment services, or securities services should use these services, where practical, to enhance its management of liquidity risk.	Art. 65 FMIA	Partly consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	7.9	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	An FMI should determine the amount and regularly test the sufficiency of its liquid resources through rigorous stress testing. An FMI should have clear procedures to report the results of its stress tests to appropriate decision makers at the FMI and to use these results to evaluate the adequacy of and adjust its liquidity risk-management framework. In conducting stress testing, an FMI should consider a wide range of relevant scenarios. Scenarios should include relevant peak historic price volatilities, shifts in other market factors such as price determinants and yield curves, multiple defaults over various time horizons, simultaneous pressures in funding and asset markets, and a spectrum of forward-looking stress scenarios in a variety of extreme but plausible market conditions. Scenarios should also take into account the design and operation of the FMI, include all entities that might pose material liquidity risks to the FMI (such as settlement banks, nostro agents, custodian banks, liquidity providers, and linked FMIs), and where appropriate, cover a multiday period. In all cases, an FMI should document its supporting rationale for, and should have appropriate governance arrangements relating to, the amount and form of total liquid resources it maintains.	Art. 8(3), Art. 67(1) FMIA Art. 8(3), Art. 58(2) FMIO Art. 29(2), Art. 29(6) NBO	Partly consistent	The Swiss regulations do not explicitly address the need for FMIs to have clear procedures to report the results of their stress tests to appropriate decision-makers at the FMI, and to use these results to evaluate and adjust their liquidity risk management framework. Inconsistency in language: In addition, it was found that the language of Swiss regulations is not entirely consistent with the PFMI, in particular, not all parameters of liquidity stress testing are explicitly mentioned in the Swiss regulations. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	7.10	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	An FMI should establish explicit rules and procedures that enable the FMI to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations on time following any individual or combined default among its participants. These rules and procedures should address unforeseen and potentially uncovered liquidity shortfalls and should aim to avoid unwinding, revoking, or delaying the same-day settlement of payment obligations. These rules and procedures should also indicate the FMI's process to replenish any liquidity resources it may employ during a stress event, so that it can continue to operate in a safe and sound manner.	Art.62(5) FMIA Art. 68 FMIA Art. 24a NBO	Partly consistent	
CSD_SSS	8.0	An FMI should provide clear and certain final settlement, at a minimum by the end of the value date. Where necessary or preferable, an FMI should provide final settlement intraday or in real time.		Art. 62, Art. 89 FMIA Art. 53, Art. 66, Art. 73 FMIO	Consistent	
CSD_SSS	8.1	An FMI should provide clear and certain final settlement, at a minimum by the end of the value date. Where necessary or preferable, an FMI should provide final settlement intraday or in real time.	An FMI's rules and procedures should clearly define the point at which settlement is final.	Art. 62, Art. 89(2), 89(3) FMIA Art. 53, Art. 66, Art. 73 FMIO	Consistent	
CSD_SSS	8.2	An FMI should provide clear and certain final settlement, at a minimum by the end of the value date. Where necessary or preferable, an FMI should provide final settlement intraday or in real time.	An FMI should complete final settlement no later than the end of the value date, and preferably intraday or in real time, to reduce settlement risk. An LVPS or SSS should consider adopting RTGS or multiple-batch processing during the settlement day.	Art. 62(5) FMIA	Consistent	
CSD_SSS	8.3	An FMI should provide clear and certain final settlement, at a minimum by the end of the value date. Where necessary or preferable, an FMI should provide final settlement intraday or in real time.	An FMI should clearly define the point after which unsettled payments, transfer instructions, or other obligations may not be revoked by a participant.	Art. 62(4) FMIA Art. 66(2)(a), Art. 73(2) FMIO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	9.0	An FMI should conduct its money settlements in central bank money where practical and available. If central bank money is not used, an FMI should minimise and strictly control the credit and liquidity risk arising from the use of commercial bank money.		Art. 10 FMIA, Art. 62 FMIA, Art. 65 FMIA Art. 49 FMIO Art. 23(1) NBO Section 4 of Chapter 1 of Title 4 Capital Adequacy Ordinance (CAO)	Consistent	The implementation measures for CSDs are consistent with Principle 9, although there are some minor gaps or shortcomings with KC 3 that have no material impact on completeness or consistency. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KC 3.
CSD_SSS	9.1	An FMI should conduct its money settlements in central bank money where practical and available. If central bank money is not used, an FMI should minimise and strictly control the credit and liquidity risk arising from the use of commercial bank money.	An FMI should conduct its money settlements in central bank money, where practical and available, to avoid credit and liquidity risks.	Art. 65(1) FMIA	Consistent	
CSD_SSS	9.2	An FMI should conduct its money settlements in central bank money where practical and available. If central bank money is not used, an FMI should minimise and strictly control the credit and liquidity risk arising from the use of commercial bank money.	If central bank money is not used, an FMI should conduct its money settlements using a settlement asset with little or no credit or liquidity risk.	Art. 65(2) FMIA	Consistent	
CSD_SSS	9.3	An FMI should conduct its money settlements in central bank money where practical and available. If central bank money is not used, an FMI should minimise and strictly control the credit and liquidity risk arising from the use of commercial bank money.	If an FMI settles in commercial bank money, it should monitor, manage, and limit its credit and liquidity risks arising from the commercial settlement banks. In particular, an FMI should establish and monitor adherence to strict criteria for its settlement banks that take account of, among other things, their regulation and supervision, creditworthiness, capitalisation, access to liquidity, and operational reliability. An FMI should also monitor and manage the concentration of credit and liquidity exposures to its commercial settlement banks.	Art. 65(2) FMIA Section 4 of Chapter 1 of Title 4 CAO. The relevant Art. 103–111 CAO Art. 49 FMIO	Consistent	There is a minor gap as the Swiss regulations require FMIs to monitor credit risks vis-à-vis commercial settlement banks but do not otherwise explicitly address the need for an FMI to establish and monitor adherence to criteria for settlement banks, or to monitor and manage concentration of exposures to settlement banks.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	9.4	An FMI should conduct its money settlements in central bank money where practical and available. If central bank money is not used, an FMI should minimise and strictly control the credit and liquidity risk arising from the use of commercial bank money.	If an FMI conducts money settlements on its own books, it should minimise and strictly control its credit and liquidity risks.	Art. 65(2) FMIA	Consistent	
CSD_SSS	9.5	An FMI should conduct its money settlements in central bank money where practical and available. If central bank money is not used, an FMI should minimise and strictly control the credit and liquidity risk arising from the use of commercial bank money.	An FMI's legal agreements with any settlement banks should state clearly when transfers on the books of individual settlement banks are expected to occur, that transfers are to be final when effected, and that funds received should be transferable as soon as possible, at a minimum by the end of the day and ideally intraday, in order to enable the FMI and its participants to manage credit and liquidity risks.	Art. 65(2) FMIA Art. 23(1) NBO Art. 62(4), Art. 62(5) FMIA	Consistent	
CSD_SSS	10.0	An FMI should clearly state its obligations with respect to the delivery of physical instruments or commodities and should identify, monitor, and manage the risks associated with such physical deliveries.		Art. 23 NBO, Art. 25c NBO Art. 973a–973c Swiss Code of Obligations (CO) Art. 7(2) Federal Act on Intermediated Securities (FISA)	Consistent	The implementation measures for CSDs are consistent with Principle 10, although there are some gaps or shortcomings with KC 2 that have no material impact on completeness or consistency.
CSD_SSS	10.1	An FMI should clearly state its obligations with respect to the delivery of physical instruments or commodities and should identify, monitor, and manage the risks associated with such physical deliveries.	An FMI's rules should clearly state its obligations with respect to the delivery of physical instruments or commodities.	23(1) NBO	Consistent	
CSD_SSS	10.2	An FMI should clearly state its obligations with respect to the delivery of physical instruments or commodities and should identify, monitor, and manage the risks associated with such physical deliveries.	An FMI should identify, monitor, and manage the risks and costs associated with the storage and delivery of physical instruments or commodities.	Art. 25c(2) of the NBO Art. 973a–973c CO Art. 7(2) FISA	Consistent	The Swiss regulations do not explicitly state that an FMI should manage the risks and costs associated with the "storage and delivery" of physical instruments or commodities. Nevertheless, the regulations include general risk requirements that should cover all risks.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	11.0	A CSD should have appropriate rules and procedures to help ensure the integrity of securities issues and minimise and manage the risks associated with the safekeeping and transfer of securities. A CSD should maintain securities in an immobilised or dematerialised form for their transfer by book entry.		Art. 8, Art. 10, Art. 62, Art. 63, Art. 69, Art. 71 FMIA Art. 53 (FMIO) Art. 25c, Art. 27 NBO, Art. 30 NBO, Art. 34 NBO Art. 973a–973c Swiss Code of Obligations (CO) Art. 7(2) Federal Act on Intermediated Securities(FISA) FINMA Circular 2015/1 Accounting – banks	Consistent	
CSD_SSS	11.1	A CSD should have appropriate rules and procedures to help ensure the integrity of securities issues and minimise and manage the risks associated with the safekeeping and transfer of securities. A CSD should maintain securities in an immobilised or dematerialised form for their transfer by book entry.	A CSD should have appropriate rules, procedures, and controls, including robust accounting practices, to safeguard the rights of securities issuers and holders, prevent the unauthorised creation or deletion of securities, and conduct periodic and at least daily reconciliation of securities issues it maintains.	Art. 25c(1) NBO, Art. 30(1), Art. 34(2), Art. 34(2) NBO Art. 62(1) and (3) FMIA, Art. 63 FMIA Art. 53 FMIO FINMA Circular 2015/1 Accounting – banks	Consistent	
CSD_SSS	11.2	A CSD should have appropriate rules and procedures to help ensure the integrity of securities issues and minimise and manage the risks associated with the safekeeping and transfer of securities. A CSD should maintain securities in an immobilised or dematerialised form for their transfer by book entry.	A CSD should prohibit overdrafts and debit balances in securities accounts.	Art. 62(2) FMIA, Art. 62(3) FMIA)	Consistent	
CSD_SSS	11.3	A CSD should have appropriate rules and procedures to help ensure the integrity of securities issues and minimise and manage the risks associated with the safekeeping and transfer of securities. A CSD should maintain securities in an immobilised or dematerialised form for their transfer by book entry.	A CSD should maintain securities in an immobilised or dematerialised form for their transfer by book entry. Where appropriate, a CSD should provide incentives to immobilise or dematerialise securities.	Art. 25c(2) NBO Art. 973a–973c CO Art. 7(2) FISA	Consistent	
CSD_SSS	11.4	A CSD should have appropriate rules and procedures to help ensure the integrity of securities issues and minimise and manage the risks associated with the safekeeping and transfer of securities. A CSD should maintain securities in an immobilised or dematerialised form for their transfer by book entry.	A CSD should protect assets against custody risk through appropriate rules and procedures consistent with its legal framework.	Art. 25c(1), Art. 30(1) NBO Art. 62 FMIA	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	11.5	A CSD should have appropriate rules and procedures to help ensure the integrity of securities issues and minimise and manage the risks associated with the safekeeping and transfer of securities. A CSD should maintain securities in an immobilised or dematerialised form for their transfer by book entry.	A CSD should employ a robust system that ensures segregation between the CSD's own assets and the securities of its participants and segregation among the securities of participants. Where supported by the legal framework, the CSD should also support operationally the segregation of securities belonging to a participant's customers on the participant's books and facilitate the transfer of customer holdings.	Art. 69 FMIA	Consistent	
CSD_SSS	11.6	A CSD should have appropriate rules and procedures to help ensure the integrity of securities issues and minimise and manage the risks associated with the safekeeping and transfer of securities. A CSD should maintain securities in an immobilised or dematerialised form for their transfer by book entry.	A CSD should identify, measure, monitor, and manage its risks from other activities that it may perform; additional tools may be necessary in order to address these risks.	Art. 10 FMIA, Art. 1 FINMASA Art. 8(3) FMIA Art. 27(1) NBO	Consistent	
CSD_SSS	12.0	If an FMI settles transactions that involve the settlement of two linked obligations (for example, securities or foreign exchange transactions), it should eliminate principal risk by conditioning the final settlement of one obligation upon the final settlement of the other.		Art. 55 FMIO	Consistent	
CSD_SSS	12.1	If an FMI settles transactions that involve the settlement of two linked obligations (for example, securities or foreign exchange transactions), it should eliminate principal risk by conditioning the final settlement of one obligation upon the final settlement of the other.	An FMI that is an exchange-of-value settlement system should eliminate principal risk by ensuring that the final settlement of one obligation occurs if and only if the final settlement of the linked obligation also occurs, regardless of whether the FMI settles on a gross or net basis and when finality occurs.	Art. 55 FMIO	Consistent	
CSD_SSS	13.0	An FMI should have effective and clearly defined rules and procedures to manage a participant default. These rules and procedures should be designed to ensure that the FMI can take timely action to contain losses and liquidity pressures and continue to meet its obligations.		Art. 21, Art. 63, Art. 68 FMIA Art. 19 FMIO, Art. 48, Art. 52, Art. 56 FMIO Art. 23, Art. 24a NBO, Art. 27 NBO Title 3 Capital Adequacy Ordinance (CAO)	Broadly consistent	The implementation measures of the Swiss authorities are broadly consistent with Principle 13. The overall rating has been influenced by the minor gaps or shortcomings identified for KC 4. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KC 4.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	13.1	An FMI should have effective and clearly defined rules and procedures to manage a participant default. These rules and procedures should be designed to ensure that the FMI can take timely action to contain losses and liquidity pressures and continue to meet its obligations.	An FMI should have default rules and procedures that enable the FMI to continue to meet its obligations in the event of a participant default and that address the replenishment of resources following a default.	Art. 68 FMIA Art. 24a(1–2) NBO Art. 48(1–6) FMIO, Art. 56, Art. 72 FMIO Art. 42 CAO. Art. 45 CAO. Titles 1 to 3 CAO	Broadly consistent	
CSD_SSS	13.2	An FMI should have effective and clearly defined rules and procedures to manage a participant default. These rules and procedures should be designed to ensure that the FMI can take timely action to contain losses and liquidity pressures and continue to meet its obligations.	An FMI should be well prepared to implement its default rules and procedures, including any appropriate discretionary procedures provided for in its rules.	Art. 68 FMIA Art. 23, Art. 24a(3) NBO Art. 52(1), Art. 52(2) FMIO Art. 63 FMIA	Broadly consistent	
CSD_SSS	13.3	An FMI should have effective and clearly defined rules and procedures to manage a participant default. These rules and procedures should be designed to ensure that the FMI can take timely action to contain losses and liquidity pressures and continue to meet its obligations.	An FMI should publicly disclose key aspects of its default rules and procedures.	Art. 21 FMIA Art. 19 FMIO	Broadly consistent	
CSD_SSS	13.4	An FMI should have effective and clearly defined rules and procedures to manage a participant default. These rules and procedures should be designed to ensure that the FMI can take timely action to contain losses and liquidity pressures and continue to meet its obligations.	An FMI should involve its participants and other stakeholders in the testing and review of the FMI's default procedures, including any close-out procedures. Such testing and review should be conducted at least annually or following material changes to the rules and procedures to ensure that they are practical and effective.	Art. 24a(3), Art. 27(2) NBO Art. 52(1), Art. 52(2) FMIO	Broadly consistent	There is a minor gap as the Swiss regulations do not explicitly address the requirement to involve relevant stakeholders in the testing and review of the FMI's default procedures. In addition, the requirement to conduct such testing and review following material changes to the rules and procedures of the CSD/SSS is also not addressed explicitly in the Swiss regulations.
CSD_SSS	15.0	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.		Art. 22, Art. 24(1), Art. 25(2), Art. 66 FMIA Art. 9, Art. 20, Art. 48, Art. 56. Art. 72(1) FMIO Art. 27(1), Art. 30 NBO Title 3 Capital Adequacy Ordinance (CAO)	Broadly consistent	The implementation measures are broadly consistent with Principle 15. The overall rating has been influenced by the minor gaps or shortcomings regarding KC 3. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KC 3.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	15.1	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.	An FMI should have robust management and control systems to identify, monitor, and manage general business risks, including losses from poor execution of business strategy, negative cash flows, or unexpected and excessively large operating expenses.	Art. 27(1) NBO Art. 9 FMIO	Broadly consistent	
CSD_SSS	15.2	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.	An FMI should hold liquid net assets funded by equity (such as common stock, disclosed reserves, or other retained earnings) so that it can continue operations and services as a going concern if it incurs general business losses. The amount of liquid net assets funded by equity an FMI should hold should be determined by its general business risk profile and the length of time required to achieve a recovery or orderly wind-down, as appropriate, of its critical operations and services if such action is taken.	Art. 66(1) FMIA Art. 42, Art. 45, Titles 1 to 3 CAO Art. 48, Art. 52(2), Art. 56(2), Art. 72 FMIO	Broadly consistent	
CSD_SSS	15.3	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.	An FMI should maintain a viable recovery or orderly wind-down plan and should hold sufficient liquid net assets funded by equity to implement this plan. At a minimum, an FMI should hold liquid net assets funded by equity equal to at least six months of current operating expenses. These assets are in addition to resources held to cover participant defaults or other risks covered under the financial resources principles. However, equity held under international risk-based capital standards can be included where relevant and appropriate to avoid duplicate capital requirements.	Art. 22(2), Art. 24(1), Art. 25(2), FMIA Art. 20 FMIO Art. 48, Art. 56, Art. 72 FMIO Art. 42, Art. 45, Titles 1 to 3 CAO	Broadly consistent	There is a minor gap in the Swiss regulation which allows the FINMA to ease the capital requirement on FMIs. The easing may go below the minimum requirement which is not in line with the PFMI requirement that, “At a minimum, an FMI should hold liquid net assets funded by equity equal to at least six months of current operating expenses.” Swiss authorities are recommended to clarify the circumstances in which FINMA is permitted to ease the capital requirement on FMIs in a manner that is consistent with the Principle. Swiss authorities are recommended to clarify that the definition of capital is consistent with the key consideration.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	15.4	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.	Assets held to cover general business risk should be of high quality and sufficiently liquid in order to allow the FMI to meet its current and projected operating expenses under a range of scenarios, including in adverse market conditions.	Art. 30(3) NBO	Broadly consistent	
CSD_SSS	15.5	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.	An FMI should maintain a viable plan for raising additional equity should its equity fall close to or below the amount needed. This plan should be approved by the board of directors and updated regularly.	Art. 20(2), Art. 20(4), Art. 48(1–6), 56(2) FMIO	Broadly consistent	
CSD_SSS	16.0	An FMI should safeguard its own and its participants' assets and minimise the risk of loss on and delay in access to these assets. An FMI's investments should be in instruments with minimal credit, market, and liquidity risks.		Art. 24a(4), Art. 28a(1), Art. 30 NBO Art. 67 FMIA Art. 54 FMIO	Broadly consistent	The implementation measures of the Swiss regulators are broadly consistent with Principle 16. The overall rating has been influenced by the minor gaps or shortcomings regarding KC 1 and KC 2. Switzerland is recommended to implement measures that address the identified gaps or inconsistencies, related to KCs 1 and 2.
CSD_SSS	16.1	An FMI should safeguard its own and its participants' assets and minimise the risk of loss on and delay in access to these assets. An FMI's investments should be in instruments with minimal credit, market, and liquidity risks.	An FMI should hold its own and its participants' assets at supervised and regulated entities that have robust accounting practices, safekeeping procedures, and internal controls that fully protect these assets.	Art. 54(4) FMIO Art. 30(1), Art. 30(3) NBO	Broadly consistent	There is a minor gap in the Swiss regulations, which do not require assets to be held at "supervised and regulated entities that have robust accounting practices, safekeeping procedures, and internal controls that fully protect these assets." The regulations only require this in so far as it is possible. This shortcoming is assessed to be minor, having taken into consideration that the Swiss authorities during their oversight and supervisory activities do not allow for FMIs to use entities that are not regulated and supervised, unless those custodians are central banks.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	16.2	An FMI should safeguard its own and its participants' assets and minimise the risk of loss on and delay in access to these assets. An FMI's investments should be in instruments with minimal credit, market, and liquidity risks.	An FMI should have prompt access to its assets and the assets provided by participants, when required.	Art. 54(2), Art. 54(4) FMIO Art. 24a(1) NBO Art. 28a(4) NBO	Broadly consistent	There is a minor gap in the Swiss regulations since there is no reference to having prompt access to the FMI's own assets, there is, however, reference to having prompt access to participants' assets.
CSD_SSS	16.3	An FMI should safeguard its own and its participants' assets and minimise the risk of loss on and delay in access to these assets. An FMI's investments should be in instruments with minimal credit, market, and liquidity risks.	An FMI should evaluate and understand its exposures to its custodian banks, taking into account the full scope of its relationships with each.	Art. 30(1) NBO Art. 54(4) FMIO	Broadly consistent	
CSD_SSS	16.4	An FMI should safeguard its own and its participants' assets and minimise the risk of loss on and delay in access to these assets. An FMI's investments should be in instruments with minimal credit, market, and liquidity risks.	An FMI's investment strategy should be consistent with its overall risk-management strategy and fully disclosed to its participants, and investments should be secured by, or be claims on, high-quality obligors. These investments should allow for quick liquidation with little, if any, adverse price effect.	Art. 30(3) NBO Art. 67(2) FMIA	Broadly consistent	
CSD_SSS	17.0	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.		Art. 8, Art. 11, Art. 13, Art. 14, Art. 18, Art. 62(5) FMIA Art. 8(3), Art. 9(1), Art. 11, Art. 14, Art. 15, Art. 17 FMIO Art. 27(1), Art.32, Art. 32a, Art. 32b, Art. 32c, Art. 34, Art. 37 NBO	Consistent	The implementation measures are consistent with Principle 17, however, there are minor gaps or shortcomings with KC 2 that have no material impact on completeness or consistency. Switzerland is recommended to implement measures which address the identified gaps or inconsistency related to KC 2.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	17.1	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should establish a robust operational risk-management framework with appropriate systems, policies, procedures, and controls to identify, monitor, and manage operational risks.	Art. 27(1), Art. 32 NBO Art. 9(1) FMIO Art. 13(1) FMIA	Consistent	
CSD_SSS	17.2	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI's board of directors should clearly define the roles and responsibilities for addressing operational risk and should endorse the FMI's operational risk-management framework. Systems, operational policies, procedures, and controls should be reviewed, audited, and tested periodically and after significant changes.	Art. 8(2), Art. 13(1) FMIA Art. 8(3), Art. 14(1), (2) and (4) FMIO Art. 32a(2), Art. 32a(4), Art. 32b(3–5), Art. 37(3) NBO	Consistent	There is a minor gap stemming from the absence of an explicit requirement to periodically, and after significant changes, test systems, operational policies and controls.
CSD_SSS	17.3	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should have clearly defined operational reliability objectives and should have policies in place that are designed to achieve those objectives.	Art. 14(2) and (3) FMIO Art. 32a(2) and (3) NBO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	17.4	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should ensure that it has scalable capacity adequate to handle increasing stress volumes and to achieve its service-level objectives.	Art. 32a(3) NBO	Consistent	
CSD_SSS	17.5	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should have comprehensive physical and information security policies that address all potential vulnerabilities and threats.	Art. 32 NBO Art. 32, Art. 32a(1), Art. 32a(3), Art. 32c NBO Art. 14(1), Art. 14(2) FMIA Art. 15(1), Art. 15(2) FMIO	Consistent	
CSD_SSS	17.6	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should have a business continuity plan that addresses events posing a significant risk of disrupting operations, including events that could cause a wide-scale or major disruption. The plan should incorporate the use of a secondary site and should be designed to ensure that critical information technology (IT) systems can resume operations within two hours following disruptive events. The plan should be designed to enable the FMI to complete settlement by the end of the day of the disruption, even in case of extreme circumstances. The FMI should regularly test these arrangements.	Art. 32a, Art. 32b, Art. 32c NBO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	17.7	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should identify, monitor, and manage the risks that key participants, other FMIs, and service and utility providers might pose to its operations. In addition, an FMI should identify, monitor, and manage the risks its operations might pose to other FMIs.	Art. 8(3), Art. 11, Art. 17(2) FMIO Art. 27(1), Art. 27(3), Art. 32, Art. 32b, Art. 34(1) NBO Art. 11, Art. 18(2) FMIA	Consistent	
CSD_SSS	18.0	An FMI should have objective, risk-based, and publicly disclosed criteria for participation, which permit fair and open access.		Art. 18, Art. 21 FMIA Art. 23(1), Art. 24 NBO Art. 17, Art. 19 FMIO	Consistent	
CSD_SSS	18.1	An FMI should have objective, risk-based, and publicly disclosed criteria for participation, which permit fair and open access.	An FMI should allow for fair and open access to its services, including by direct and, where relevant, indirect participants and other FMIs, based on reasonable risk-related participation requirements.	Art. 18(1), Art. 21(1) FMIA Art. 17(2) FMIO Art. 23(1) NBO	Consistent	
CSD_SSS	18.2	An FMI should have objective, risk-based, and publicly disclosed criteria for participation, which permit fair and open access.	An FMI's participation requirements should be justified in terms of the safety and efficiency of the FMI and the markets it serves, be tailored to and commensurate with the FMI's specific risks, and be publicly disclosed. Subject to maintaining acceptable risk control standards, an FMI should endeavour to set requirements that have the least-restrictive impact on access that circumstances permit.	Art. 18(2) FMIA 17 FMIO	Consistent	
CSD_SSS	18.3	An FMI should have objective, risk-based, and publicly disclosed criteria for participation, which permit fair and open access.	An FMI should monitor compliance with its participation requirements on an ongoing basis and have clearly defined and publicly disclosed procedures for facilitating the suspension and orderly exit of a participant that breaches, or no longer meets, the participation requirements.	Art. 23(1), Art. 24(4), Art. 24(5) NBO Art. 19 FMIO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	19.0	An FMI should identify, monitor, and manage the material risks to the FMI arising from tiered participation arrangements.		Art. 9(3–4) (FMIO)	Broadly consistent	The implementation measures of the Swiss regulators are broadly consistent with Principle 19. The overall rating has been influenced by the minor gaps regarding KC 1, 2, 3 and 4. Switzerland is recommended to implement measures which address the identified gap or inconsistency related to KC 1, 2, 3 and 4.
CSD_SSS	19.1	An FMI should identify, monitor, and manage the material risks to the FMI arising from tiered participation arrangements.	An FMI should ensure that its rules, procedures, and agreements allow it to gather basic information about indirect participation in order to identify, monitor, and manage any material risks to the FMI arising from such tiered participation arrangements.	Art. 9(3), Art. 9(4) FMIO	Broadly consistent	There is a minor gap regarding the requirement that FMIs should ensure that their rules, procedures, and agreements allow them to gather basic information about indirect participation, regardless of the type of indirect participant. The Swiss regulations only require FMIs to gather this information for indirect participants that are identifiable to the FMI.
CSD_SSS	19.2	An FMI should identify, monitor, and manage the material risks to the FMI arising from tiered participation arrangements.	An FMI should identify material dependencies between direct and indirect participants that might affect the FMI.	Art. 9(3), Art. 9(4) FMIO	Broadly consistent	There is a minor gap regarding the requirement that FMIs should identify material dependencies between direct and indirect participants that might affect the FMI. The Swiss regulations only require FMIs to gather this information for indirect participants that are identifiable to the FMI.
CSD_SSS	19.3	An FMI should identify, monitor, and manage the material risks to the FMI arising from tiered participation arrangements.	An FMI should identify indirect participants responsible for a significant proportion of transactions processed by the FMI and indirect participants whose transaction volumes or values are large relative to the capacity of the direct participants through which they access the FMI in order to manage the risks arising from these transactions.	Art. 9(3), Art. 9(4) FMIO Art. 27(1) NBO	Broadly consistent	There is a minor gap regarding the requirement that FMIs should ensure that their rules, procedures, and agreements allow them to gather basic information about indirect participation, regardless the type of indirect participant. The Swiss regulations only require FMIs to gather this information for indirect participants that are identifiable to the FMI.
CSD_SSS	19.4	An FMI should identify, monitor, and manage the material risks to the FMI arising from tiered participation arrangements.	An FMI should regularly review risks arising from tiered participation arrangements and should take mitigating action when appropriate.	Art. 9(3) FMIO Art. 27(1) NBO Art. 8(3) FMIA	Broadly consistent	There is a minor gap in the Swiss regulations that regarding the requirement that FMIs should regularly review risks arising from tiered participation arrangements and should take mitigating action when appropriate. However, there are general risk provisions that may capture this.
CSD_SSS	20.0	An FMI that establishes a link with one or more FMIs should identify, monitor, and manage link-related risks.		Art. 70, Art. 71 FMIA Art. 54(4) FMIO Art. 23, Art. 34(1–2) NBO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	20.1	An FMI that establishes a link with one or more FMIs should identify, monitor, and manage link-related risks.	Before entering into a link arrangement and on an ongoing basis once the link is established, an FMI should identify, monitor, and manage all potential sources of risk arising from the link arrangement. Link arrangements should be designed such that each FMI is able to observe the other principles in this report.	Art. 34(1), Art. 34(2) NBO Art. 11, Art. 70–72 FMIA Art. 11, Art. 12 FMIO	Consistent	
CSD_SSS	20.2	An FMI that establishes a link with one or more FMIs should identify, monitor, and manage link-related risks.	A link should have a well-founded legal basis, in all relevant jurisdictions, that supports its design and provides adequate protection to the FMIs involved in the link.	Art. 23(1–2) NBO Art. 71(2)(b), Art. 71(2)(c) FMIA	Consistent	
CSD_SSS	20.3	An FMI that establishes a link with one or more FMIs should identify, monitor, and manage link-related risks.	Linked CSDs should measure, monitor, and manage the credit and liquidity risks arising from each other. Any credit extensions between CSDs should be covered fully with high-quality collateral and be subject to limits.	Art. 34(1), Art. 34(2)(a), Art. 34(2)(d) NBO Art. 71(2)(a), (Art. 71(2)(b) FMIA	Consistent	
CSD_SSS	20.4	An FMI that establishes a link with one or more FMIs should identify, monitor, and manage link-related risks.	Provisional transfers of securities between linked CSDs should be prohibited or, at a minimum, the retransfer of provisionally transferred securities should be prohibited prior to the transfer becoming final.	Art. 34(2)(b) NBO	Consistent	
CSD_SSS	20.5	An FMI that establishes a link with one or more FMIs should identify, monitor, and manage link-related risks.	An investor CSD should only establish a link with an issuer CSD if the arrangement provides a high level of protection for the rights of the investor CSD’s participants.	Art. 54(4) FMIO Art. 71(2)(a) FMIA Art. 34(2)(e) NBO	Consistent	
CSD_SSS	20.6	An FMI that establishes a link with one or more FMIs should identify, monitor, and manage link-related risks.	An investor CSD that uses an intermediary to operate a link with an issuer CSD should measure, monitor, and manage the additional risks (including custody, credit, legal, and operational risks) arising from the use of the intermediary.	Art. 34(2)(c) NBO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	21.0	An FMI should be efficient and effective in meeting the requirements of its participants and the markets it serves.		Art. 8 FMIA Art. 6, Art. 8, Art. 52 FMIO	Broadly consistent	The implementation measures of the Swiss regulators are broadly consistent with Principle 21. The overall rating has been influenced by the minor gaps or shortcomings regarding KC 2 and KC 3. Switzerland is recommended to implement measures which address the identified gaps or inconsistency related to KC 2 and 3.
CSD_SSS	21.1	An FMI should be efficient and effective in meeting the requirements of its participants and the markets it serves.	An FMI should be designed to meet the needs of its participants and the markets it serves, in particular, with regard to choice of a clearing and settlement arrangement; operating structure; scope of products cleared, settled, or recorded; and use of technology and procedures.	Art. 8(2) FMIA Art. 6, Art. 8(5), Art. 52 FMIO	Broadly consistent	
CSD_SSS	21.2	An FMI should be efficient and effective in meeting the requirements of its participants and the markets it serves.	An FMI should have clearly defined goals and objectives that are measurable and achievable, such as in the areas of minimum service levels, risk-management expectations, and business priorities.	Art. 8(2) FMIA Art. 6 FMIO	Broadly consistent	While the Swiss regulations require appropriate corporate management rules and organisation, there is a minor gap since there are no explicit requirements for these to be measurable and achievable.
CSD_SSS	21.3	An FMI should be efficient and effective in meeting the requirements of its participants and the markets it serves.	An FMI should have established mechanisms for the regular review of its efficiency and effectiveness.	Art. 8(2), Art. 8(3) FMIA Art. 8(3) FMIO	Broadly consistent	While the Swiss regulations require appropriate corporate management rules and organisation, and that the boards work should be evaluated regularly, there is, however, a minor gap regarding explicit requirements on mechanisms for the regular review of an FMI’s efficiency and effectiveness.
CSD_SSS	22.0	An FMI should use, or at a minimum accommodate, relevant internationally accepted communication procedures and standards in order to facilitate efficient payment, clearing, settlement, and recording.		Art. 14 FMIA Art. 8(5), Art. 15 FMIO Art. 32 NBO	Not consistent	While the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI, there is no explicit requirement on FMIs to accommodate internationally expected communications procedures and standards. Switzerland is recommended to implement measures which address the identified gaps and inconsistencies related to Principle 22.
CSD_SSS	22.1	An FMI should use, or at a minimum accommodate, relevant internationally accepted communication procedures and standards in order to facilitate efficient payment, clearing, settlement, and recording.	An FMI should use, or at a minimum accommodate, internationally accepted communication procedures and standards.	Art. 14 FMIA Art. 8(3), Art. 15 FMIO Art. 32 NBO	Not consistent	While the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI, there is no explicit requirement on FMIs to accommodate internationally expected communications procedures and standards.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	23.0	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.		Art. 21 FMIA Art. 19 FMIO Art. 23 NBO	Consistent	The implementation measures are consistent with Principle 23, although there are gaps or shortcomings with KC 3 that have no material impact on completeness or consistency. Wherever there are inconsistencies in language between the Swiss regulations and the PFMI, Switzerland is recommended to consider providing clarity to CSDs/SSSs with respect to minimum standards.
CSD_SSS	23.1	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.	An FMI should adopt clear and comprehensive rules and procedures that are fully disclosed to participants. Relevant rules and key procedures should also be publicly disclosed.	Art. 23(1) NBO Art. 21 FMIA Art. 19 FMIO	Consistent	
CSD_SSS	23.2	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.	An FMI should disclose clear descriptions of the system’s design and operations, as well as the FMI’s and participants’ rights and obligations, so that participants can assess the risks they would incur by participating in the FMI.	Art. 21 FMIA Art. 19 FMIO	Consistent	
CSD_SSS	23.3	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.	An FMI should provide all necessary and appropriate documentation and training to facilitate participants’ understanding of the FMI’s rules and procedures and the risks they face from participating in the FMI.	Art. 21 FMIA Art. 19 FMIO	Consistent	The Swiss regulations do not require the FMI to provide training to facilitate participants’ understanding of rules and procedures and risks they face from participating in the FMI. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
CSD_SSS	23.4	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.	An FMI should publicly disclose its fees at the level of individual services it offers as well as its policies on any available discounts. The FMI should provide clear descriptions of priced services for comparability purposes.	Art. 19 FMIO Art. 21 FMIA	Consistent	
CSD_SSS	23.5	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.	An FMI should complete regularly and disclose publicly responses to the CPSS-IOSCO Disclosure framework for financial market infrastructures. An FMI also should, at a minimum, disclose basic data on transaction volumes and values.	Art. 21 FMIA Art. 19 FMIO	Consistent	
PS	1.0	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.		Art. 23 National Bank Ordinance (NBO) Art. 23a NBO Art. 27 NBO Art. 32d NBO Art. 36 NBO Additional rules in various articles in FMIA, FMIO, and BA (for specific articles see answers to the KCs below).	Consistent	The implementation measures for PSs are consistent with Principle 1, although there is a minor gap or shortcoming for KC 5 that has no material impact on completeness or consistency. Switzerland is recommended to implement measures which address the gaps or identified inconsistencies related to KC 5. Furthermore, wherever there are inconsistencies in language between the Swiss regulations and the PFMI, Switzerland is recommended to consider providing clarity to PSs with respect to minimum standards.
PS	1.1	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.	The legal basis should provide a high degree of certainty for each material aspect of an FMI's activities in all relevant jurisdictions.	Art. 23 NBO Art. 32d(4) NBO Art. 88 and 92 FMIA Art. 73–75 FMIO Art. 24–37 and 37d–37g BA Art. 89–91 FMIA and Art. 73–75 FMIO Art. 28 NBO Art. 29 NBO Art. 32 NBO SNB's explanatory note to the NBO	Consistent	Inconsistency in language: The Swiss regulations address the need for legal basis to provide a high degree of certainty, but do not explicitly address the need for a high degree of certainty in all relevant jurisdictions. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	1.2	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.	An FMI should have rules, procedures, and contracts that are clear, understandable, and consistent with relevant laws and regulations.	Art. 23 NBO Art. 23a NBO Art. 28 NBO Art. 29 NBO Art. 32 NBO Art. 36 NBO SNB's explanatory note to the NBO	Consistent	
PS	1.3	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.	An FMI should be able to articulate the legal basis for its activities to relevant authorities, participants, and, where relevant, participants' customers, in a clear and understandable way.	Art. 23 NBO Art. 23a NBO Art. 28 NBO Art. 29 NBO Art. 32 NBO Art. 36 NBO SNB's explanatory note to the NBO	Consistent	
PS	1.4	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.	An FMI should have rules, procedures, and contracts that are enforceable in all relevant jurisdictions. There should be a high degree of certainty that actions taken by the FMI under such rules and procedures will not be voided, reversed, or subject to stays.	Art. 23(2) NBO Art. 27(1) NBO Art. 89(2–3) FMIA Art. 92 FMIA Art. 88(1) FMIA Art. 24–37 and 37d–37g BA	Consistent	Inconsistency in language: The Swiss regulations do not explicitly address the need for a high degree of certainty that actions of the FMI will not be voided, reversed or subject to stays in all relevant jurisdictions. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.
PS	1.5	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.	An FMI conducting business in multiple jurisdictions should identify and mitigate the risks arising from any potential conflict of laws across jurisdictions.	Art. 23(2) NBO Art. 27(1) NBO	Consistent	There is a minor gap as the NBO does not explicitly address the need for FMIs conducting business in multiple jurisdictions to identify and manage risks arising from potential conflict of laws across jurisdictions.
PS	2.0	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.		Art. 22 NBO Art. 22a NBO Art. 22b NBO Art. 23a NBO Art. 27 NBO Art. 620 et seq. Swiss Code of Obligations (CO)	Broadly consistent	The implementation measures for PSs are broadly consistent with Principle 2. The overall rating has been influenced by the minor gaps or shortcomings in the implementation measures for KCs 3 and 6. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KCs 3 and 6.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	2.1	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	An FMI should have objectives that place a high priority on the safety and efficiency of the FMI and explicitly support financial stability and other relevant public interest considerations.	Art. 22(1) NBO Art. 22(2) NBO	Broadly consistent	The approach taken by the SNB for the central bank-owned RTGS is consistent with paragraph 1.23 of the PFMI, as elaborated in the CPMI-IOSCO guidance note Application of the Principles for financial market infrastructures to central bank FMIs.
PS	2.2	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	An FMI should have documented governance arrangements that provide clear and direct lines of responsibility and accountability. These arrangements should be disclosed to owners, relevant authorities, participants, and, at a more general level, the public.	Art. 22(1) NBO Art. 22a(4) NBO Art. 22b NBO Art. 23a NBO Art. 620 et seq. CO Art. 716b CO	Broadly consistent	
PS	2.3	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	The roles and responsibilities of an FMI's board of directors (or equivalent) should be clearly specified, and there should be documented procedures for its functioning, including procedures to identify, address, and manage member conflicts of interest. The board should review both its overall performance and the performance of its individual board members regularly.	Art. 22(1)(a) NBO Art. 22a(1) NBO Art. 22b NBO Art. 620 et seq. CO Art. 716 et seq. CO SNB's explanatory note to the NBO	Broadly consistent	There is a minor gap due to the fact that while there is a requirement for FMIs to assess the board's overall performance, the requirement to ask the board to regularly review the performance of its individual board members is not explicitly addressed by the Swiss regulations.
PS	2.4	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	The board should contain suitable members with the appropriate skills and incentives to fulfil its multiple roles. This typically requires the inclusion of non-executive board member(s).		Broadly consistent	
PS	2.5	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	The roles and responsibilities of management should be clearly specified. An FMI's management should have the appropriate experience, a mix of skills, and the integrity necessary to discharge their responsibilities for the operation and risk management of the FMI.		Broadly consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	2.6	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	The board should establish a clear, documented risk-management framework that includes the FMI's risk-tolerance policy, assigns responsibilities and accountability for risk decisions, and addresses decision making in crises and emergencies. Governance arrangements should ensure that the risk-management and internal control functions have sufficient authority, independence, resources, and access to the board.	Art. 22(1)(b) NBO Art. 22a(3–4) NBO Art. 26 NBO Art. 31(4) NBO Art. 32b(4) NBO Art. 22b NBO Art. 27(1) NBO Art. 620 et seq. CO Art. 716 et seq. CO	Broadly consistent	There is a minor gap as the Swiss regulations do not explicitly address the need for the risk management function to have sufficient authority, independence, resources, and access to the board.
PS	2.7	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	The board should ensure that the FMI's design, rules, overall strategy, and major decisions reflect appropriately the legitimate interests of its direct and indirect participants and other relevant stakeholders. Major decisions should be clearly disclosed to relevant stakeholders and, where there is a broad market impact, the public.	Art. 22(1–2) NBO SNB's explanatory note to the NBO Art. 27(2) NBO Art. 23a NBO Art. 30(3) NBO Art. 32b(5) NBO	Broadly consistent	The approach taken by the SNB for the central bank-owned RTGS is consistent with paragraph 1.23 of the PFMI, as elaborated in the CPMI-IOSCO guidance note Application of the Principles for financial market infrastructures to central bank FMIs.
PS	3.0	An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.		Art. 22(1) NBO Art. 24a(3) NBO Art. 26 NBO Art. 27 NBO Art. 28(2) NBO Art. 28a(2) NBO Art. 29(6) NBO Art. 32a(4) NBO Art. 32b(5) NBO Art. 32d NBO Art. 34(1) NBO Art. 37 NBO	Consistent	Wherever there are inconsistencies in language between the Swiss regulations and the PFMI, Switzerland is recommended to consider providing clarity to PSs with respect to minimum standards.
PS	3.1	An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.	An FMI should have risk-management policies, procedures, and systems that enable it to identify, measure, monitor, and manage the range of risks that arise in or are borne by the FMI. Risk-management frameworks should be subject to periodic review.	Art. 22(1)(b) NBO Art. 27(1) NBO Art. 37(1) NBO Art. 28(2) NBO Art. 28a(2) NBO Art. 29(6) NBO Art. 24a(3) NBO Art. 32a(4) NBO Art. 32b(5) NBO	Consistent	Inconsistency in language: The Swiss regulations address the need for FMIs to have a risk management framework, but do not explicitly address the need for FMIs to manage the material risks that they pose to other entities. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	3.2	An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.	An FMI should provide incentives to participants and, where relevant, their customers to manage and contain the risks they pose to the FMI.	Art. 27(3) NBO	Consistent	
PS	3.3	An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.	An FMI should regularly review the material risks it bears from and poses to other entities (such as other FMIs, settlement banks, liquidity providers, and service providers) as a result of interdependencies and develop appropriate risk-management tools to address these risks.	Art. 27(1) NBO Art. 27(2) NBO Art. 34(1) NBO Art. 32b(5) NBO Art. 32d(2) NBO	Consistent	Inconsistency in language: The Swiss regulations address the need for FMIs to have a risk management framework, but do not explicitly address the need for FMIs to manage the material risks that they pose to other entities. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.
PS	3.4	An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.	An FMI should identify scenarios that may potentially prevent it from being able to provide its critical operations and services as a going concern and assess the effectiveness of a full range of options for recovery or orderly wind-down. An FMI should prepare appropriate plans for its recovery or orderly wind-down based on the results of that assessment. Where applicable, an FMI should also provide relevant authorities with the information needed for purposes of resolution planning.	Art. 26 NBO Note: Due to the nature of SIC as a payment system partly operated by SNB and partly operated by SIC AG on behalf of SNB, there is no requirement for an authority to establish a resolution plan for SIC. Hence, the last sentence of KC4 is not applicable.	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	4.0	An FMI should effectively measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes. An FMI should maintain sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence. In addition, a CCP that is involved in activities with a more-complex risk profile or that is systemically important in multiple jurisdictions should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the two participants and their affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions. All other CCPs should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions.		Art. 22 NBO Art. 24a NBO Art. 26 NBO Art. 27 NBO Art. 28 NBO Art. 31 NBO Art. 34(2) NBO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	4.1	An FMI should effectively measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes. An FMI should maintain sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence. In addition, a CCP that is involved in activities with a more-complex risk profile or that is systemically important in multiple jurisdictions should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the two participants and their affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions. All other CCPs should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions.	An FMI should establish a robust framework to manage its credit exposures to its participants and the credit risks arising from its payment, clearing, and settlement processes. Credit exposure may arise from current exposures, potential future exposures, or both.	Art. 22(1)(b) NBO Art. 27(1) NBO Art. 28 NBO Art. 28a NBO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	4.2	An FMI should effectively measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes. An FMI should maintain sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence. In addition, a CCP that is involved in activities with a more-complex risk profile or that is systemically important in multiple jurisdictions should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the two participants and their affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions. All other CCPs should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions.	An FMI should identify sources of credit risk, routinely measure and monitor credit exposures, and use appropriate risk-management tools to control these risks.	Art. 27 NBO Art. 28 NBO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	4.3	An FMI should effectively measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes. An FMI should maintain sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence. In addition, a CCP that is involved in activities with a more-complex risk profile or that is systemically important in multiple jurisdictions should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the two participants and their affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions. All other CCPs should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions.	A payment system or SSS should cover its current and, where they exist, potential future exposures to each participant fully with a high degree of confidence using collateral and other equivalent financial resources (see Principle 5 on collateral). In the case of a DNS payment system or DNS SSS in which there is no settlement guarantee but where its participants face credit exposures arising from its payment, clearing, and settlement processes, such an FMI should maintain, at a minimum, sufficient resources to cover the exposures of the two participants and their affiliates that would create the largest aggregate credit exposure in the system.	Art. 28(2) NBO Art. 28a NBO Also refer to Principle 5 below	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	4.7	An FMI should effectively measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes. An FMI should maintain sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence. In addition, a CCP that is involved in activities with a more-complex risk profile or that is systemically important in multiple jurisdictions should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the two participants and their affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions. All other CCPs should maintain additional financial resources sufficient to cover a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would potentially cause the largest aggregate credit exposure to the CCP in extreme but plausible market conditions.	An FMI should establish explicit rules and procedures that address fully any credit losses it may face as a result of any individual or combined default among its participants with respect to any of their obligations to the FMI. These rules and procedures should address how potentially uncovered credit losses would be allocated, including the repayment of any funds an FMI may borrow from liquidity providers. These rules and procedures should also indicate the FMI's process to replenish any financial resources that the FMI may employ during a stress event, so that the FMI can continue to operate in a safe and sound manner.	Art. 28(2) NBO Art. 24a(1–2) NBO Art. 24a(3) NBO Art. 26 NBO Art. 31(2–4) NBO Art. 26 NBO	Consistent	
PS	5.0	An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity, and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits.		Art. 27 NBO Art. 28 NBO Art. 28a NBO Art. 30 NBO	Consistent	The implementation measures for PSs are consistent with Principle 5, although there are some minor gaps or shortcomings with KC 6 that have no material impact on completeness or consistency. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KC 6.
PS	5.1	An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity, and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits.	An FMI should generally limit the assets it (routinely) accepts as collateral to those with low credit, liquidity, and market risks.	Art. 28a(1) NBO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	5.2	An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity, and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits.	An FMI should establish prudent valuation practices and develop haircuts that are regularly tested and take into account stressed market conditions.	Art. 28a(2) NBO	Consistent	
PS	5.3	An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity, and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits.	In order to reduce the need for procyclical adjustments, an FMI should establish stable and conservative haircuts that are calibrated to include periods of stressed market conditions, to the extent practicable and prudent.	Art. 27(2) NBO Art. 28a(2) NBO	Consistent	
PS	5.4	An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity, and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits.	An FMI should avoid concentrated holdings of certain assets where this would significantly impair the ability to liquidate such assets quickly without significant adverse price effects.	Art. 28a(3) NBO	Consistent	
PS	5.5	An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity, and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits.	An FMI that accepts cross-border collateral should mitigate the risks associated with its use and ensure that the collateral can be used in a timely manner.	Art. 28a(4) NBO	Consistent	
PS	5.6	An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity, and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits.	An FMI should use a collateral management system that is well-designed and operationally flexible.	Art. 27(3) NBO Art. 28(1) NBO Art. 30(3) NBO Art. 30(3) NBO SNB's explanatory note to the NBO	Consistent	There is a minor gap as the NBO does not explicitly address the need for FMIs to use a collateral management system and does not explicitly require that such a collateral management system be well-designed and operationally flexible. Rather, the NBO, among other things, requires an FMI to provide tools and incentives for the participants to continuously contain risks and manage risks through the appropriate procedures and tools.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	7.0	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.		Art. 22(1)(b) NBO Art. 24a NBO Art. 25 NBO Art. 25a(2) NBO Art. 27 NBO Art. 29 NBO Art. 50(1) FMIO Art. 58(1) FMIO	Partly consistent	The implementation measures for PSs are partly consistent with Principle 7. The overall rating has been influenced by the gaps or shortcomings in the implementation measures for KCs 2, 5 and 9. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KCs 2, 5 and 9.
PS	7.1	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	An FMI should have a robust framework to manage its liquidity risks from its participants, settlement banks, nostro agents, custodian banks, liquidity providers, and other entities.	Art. 22(1)(b) NBO Art. 27 NBO Art. 29(1–2) and (6) NBO	Partly consistent	
PS	7.2	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	An FMI should have effective operational and analytical tools to identify, measure, and monitor its settlement and funding flows on an ongoing and timely basis, including its use of intraday liquidity.	Art. 27 NBO Art. 29(1–2) and (6) NBO Art. 29(1) NBO	Partly consistent	The NBO does not explicitly address the need for FMIs to monitor and manage their intraday liquidity.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	7.3	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	A payment system or SSS, including one employing a DNS mechanism, should maintain sufficient liquid resources in all relevant currencies to effect same-day settlement, and where appropriate intraday or multiday settlement, of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate payment obligation in extreme but plausible market conditions.	Art. 29(2–3) and (6) NBO Art. 25a(2) NBO	Partly consistent	
PS	7.5	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	For the purpose of meeting its minimum liquid resource requirement, an FMI's qualifying liquid resources in each currency include cash at the central bank of issue and at creditworthy commercial banks, committed lines of credit, committed foreign exchange swaps, and committed repos, as well as highly marketable collateral held in custody and investments that are readily available and convertible into cash with prearranged and highly reliable funding arrangements, even in extreme but plausible market conditions. If an FMI has access to routine credit at the central bank of issue, the FMI may count such access as part of the minimum requirement to the extent it has collateral that is eligible for pledging to (or for conducting other appropriate forms of transactions with) the relevant central bank. All such resources should be available when needed.	Art. 29(4) NBO Art. 50(1) FMIO Art. 58(1) FMIO	Partly consistent	The Swiss regulations explicitly address the types of resources an FMI can use for the purpose of meeting its minimum liquid resource requirement, but do not explicitly specify the requirement for FMIs to put in place pre-arranged and highly reliable funding arrangements for converting FX balances or liquidating non-cash collateral through sales. This shortcoming is assessed to be material. Switzerland is recommended to make explicit that its definition of qualifying liquid resources includes only those that have corresponding "prearranged and highly reliable" funding arrangements.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	7.6	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	An FMI may supplement its qualifying liquid resources with other forms of liquid resources. If the FMI does so, then these liquid resources should be in the form of assets that are likely to be saleable or acceptable as collateral for lines of credit, swaps, or repos on an ad hoc basis following a default, even if this cannot be reliably prearranged or guaranteed in extreme market conditions. Even if an FMI does not have access to routine central bank credit, it should still take account of what collateral is typically accepted by the relevant central bank, as such assets may be more likely to be liquid in stressed circumstances. An FMI should not assume the availability of emergency central bank credit as a part of its liquidity plan.	Art. 29(4) NBO Art. 50(1) and Art. 58(1) FMIO Art. 64 FMIA	Partly consistent	
PS	7.7	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	An FMI should obtain a high degree of confidence, through rigorous due diligence, that each provider of its minimum required qualifying liquid resources, whether a participant of the FMI or an external party, has sufficient information to understand and to manage its associated liquidity risks, and that it has the capacity to perform as required under its commitment. Where relevant to assessing a liquidity provider's performance reliability with respect to a particular currency, a liquidity provider's potential access to credit from the central bank of issue may be taken into account. An FMI should regularly test its procedures for accessing its liquid resources at a liquidity provider.	Art. 29(3) and (5–6) NBO Art. 29(2) NBO	Partly consistent	The approach taken by the SNB for the central bank-owned RTGS is consistent with paragraph 1.23 of the PFMI, as elaborated in the CPMI-IOSCO guidance note Application of the Principles for financial market infrastructures to central bank FMIs.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	7.8	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	An FMI with access to central bank accounts, payment services, or securities services should use these services, where practical, to enhance its management of liquidity risk.	Art. 25 NBO	Partly consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	7.9	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	An FMI should determine the amount and regularly test the sufficiency of its liquid resources through rigorous stress testing. An FMI should have clear procedures to report the results of its stress tests to appropriate decision makers at the FMI and to use these results to evaluate the adequacy of and adjust its liquidity risk-management framework. In conducting stress testing, an FMI should consider a wide range of relevant scenarios. Scenarios should include relevant peak historic price volatilities, shifts in other market factors such as price determinants and yield curves, multiple defaults over various time horizons, simultaneous pressures in funding and asset markets, and a spectrum of forward-looking stress scenarios in a variety of extreme but plausible market conditions. Scenarios should also take into account the design and operation of the FMI, include all entities that might pose material liquidity risks to the FMI (such as settlement banks, nostro agents, custodian banks, liquidity providers, and linked FMIs), and where appropriate, cover a multiday period. In all cases, an FMI should document its supporting rationale for, and should have appropriate governance arrangements relating to, the amount and form of total liquid resources it maintains.	Art. 29(2) NBO Art. 29(6) NBO Art. 29(3) NBO SNB’s explanatory note to the NBO	Partly consistent	The NBO does not explicitly address the need for FMIs to have clear procedures to report the results of their stress tests to appropriate decision-makers at the FMI and to use these results to evaluate and adjust their liquidity risk management framework. Inconsistency in language: In addition, it was found that the language of Swiss regulations is not entirely consistent with the PFMI, in particular, not all parameters of liquidity stress testing are explicitly mentioned in the Swiss regulations. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	7.10	An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible market conditions.	An FMI should establish explicit rules and procedures that enable the FMI to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations on time following any individual or combined default among its participants. These rules and procedures should address unforeseen and potentially uncovered liquidity shortfalls and should aim to avoid unwinding, revoking, or delaying the same-day settlement of payment obligations. These rules and procedures should also indicate the FMI's process to replenish any liquidity resources it may employ during a stress event, so that it can continue to operate in a safe and sound manner.	Art. 24a NBO Art. 25a(2) NBO	Partly consistent	
PS	8.0	An FMI should provide clear and certain final settlement, at a minimum by the end of the value date. Where necessary or preferable, an FMI should provide final settlement intraday or in real time.		Art. 25a NBO Art. 89 FMIA Art. 73 FMIO	Consistent	
PS	8.1	An FMI should provide clear and certain final settlement, at a minimum by the end of the value date. Where necessary or preferable, an FMI should provide final settlement intraday or in real time.	An FMI's rules and procedures should clearly define the point at which settlement is final.	Art. 25a(1) Art. 89(2) FMIA Art. 89(3) FMIA Art. 73(1) FMIO	Consistent	
PS	8.2	An FMI should provide clear and certain final settlement, at a minimum by the end of the value date. Where necessary or preferable, an FMI should provide final settlement intraday or in real time.	An FMI should complete final settlement no later than the end of the value date, and preferably intraday or in real time, to reduce settlement risk. An LVPS or SSS should consider adopting RTGS or multiple-batch processing during the settlement day.	Art. 25a(2) NBO	Consistent	
PS	8.3	An FMI should provide clear and certain final settlement, at a minimum by the end of the value date. Where necessary or preferable, an FMI should provide final settlement intraday or in real time.	An FMI should clearly define the point after which unsettled payments, transfer instructions, or other obligations may not be revoked by a participant.	Art. 25a(1) NBO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	9.0	An FMI should conduct its money settlements in central bank money where practical and available. If central bank money is not used, an FMI should minimise and strictly control the credit and liquidity risk arising from the use of commercial bank money.		Art. 23(1) NBO Art. 25 NBO Art. 25a NBO	Consistent	
PS	9.1	An FMI should conduct its money settlements in central bank money where practical and available. If central bank money is not used, an FMI should minimise and strictly control the credit and liquidity risk arising from the use of commercial bank money.	An FMI should conduct its money settlements in central bank money, where practical and available, to avoid credit and liquidity risks.	Art. 25(1) NBO	Consistent	
PS	9.2	An FMI should conduct its money settlements in central bank money where practical and available. If central bank money is not used, an FMI should minimise and strictly control the credit and liquidity risk arising from the use of commercial bank money.	If central bank money is not used, an FMI should conduct its money settlements using a settlement asset with little or no credit or liquidity risk.	Art. 25(2) NBO	Consistent	The approach taken by the SNB for the central bank-owned RTGS is consistent with paragraph 1.23 of the PFMI, as elaborated in the CPMI-IOSCO guidance note Application of the Principles for financial market infrastructures to central bank FMIs.
PS	9.3	An FMI should conduct its money settlements in central bank money where practical and available. If central bank money is not used, an FMI should minimise and strictly control the credit and liquidity risk arising from the use of commercial bank money.	If an FMI settles in commercial bank money, it should monitor, manage, and limit its credit and liquidity risks arising from the commercial settlement banks. In particular, an FMI should establish and monitor adherence to strict criteria for its settlement banks that take account of, among other things, their regulation and supervision, creditworthiness, capitalisation, access to liquidity, and operational reliability. An FMI should also monitor and manage the concentration of credit and liquidity exposures to its commercial settlement banks.	Art. 25(2) NBO	Consistent	The approach taken by the SNB for the central bank-owned RTGS is consistent with paragraph 1.23 of the PFMI, as elaborated in the CPMI-IOSCO guidance note Application of the Principles for financial market infrastructures to central bank FMIs.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	9.4	An FMI should conduct its money settlements in central bank money where practical and available. If central bank money is not used, an FMI should minimise and strictly control the credit and liquidity risk arising from the use of commercial bank money.	If an FMI conducts money settlements on its own books, it should minimise and strictly control its credit and liquidity risks.	Art. 25(2) NBO	Consistent	The approach taken by the SNB for the central bank-owned RTGS is consistent with paragraph 1.23 of the PFMI, as elaborated in the CPMI-IOSCO guidance note Application of the Principles for financial market infrastructures to central bank FMIs.
PS	9.5	An FMI should conduct its money settlements in central bank money where practical and available. If central bank money is not used, an FMI should minimise and strictly control the credit and liquidity risk arising from the use of commercial bank money.	An FMI's legal agreements with any settlement banks should state clearly when transfers on the books of individual settlement banks are expected to occur, that transfers are to be final when effected, and that funds received should be transferable as soon as possible, at a minimum by the end of the day and ideally intraday, in order to enable the FMI and its participants to manage credit and liquidity risks.	Art. 23(1) NBO Art. 25(2) NBO Art. 25a NBO	Consistent	The approach taken by the SNB for the central bank-owned RTGS is consistent with paragraph 1.23 of the PFMI, as elaborated in the CPMI-IOSCO guidance note Application of the Principles for financial market infrastructures to central bank FMIs.
PS	12.0	If an FMI settles transactions that involve the settlement of two linked obligations (for example, securities or foreign exchange transactions), it should eliminate principal risk by conditioning the final settlement of one obligation upon the final settlement of the other.		Art. 25b NBO	Consistent	
PS	12.1	If an FMI settles transactions that involve the settlement of two linked obligations (for example, securities or foreign exchange transactions), it should eliminate principal risk by conditioning the final settlement of one obligation upon the final settlement of the other.	An FMI that is an exchange-of-value settlement system should eliminate principal risk by ensuring that the final settlement of one obligation occurs if and only if the final settlement of the linked obligation also occurs, regardless of whether the FMI settles on a gross or net basis and when finality occurs.	Art. 25b NBO	Consistent	
PS	13.0	An FMI should have effective and clearly defined rules and procedures to manage a participant default. These rules and procedures should be designed to ensure that the FMI can take timely action to contain losses and liquidity pressures and continue to meet its obligations.		Art. 23 National Bank Ordinance (NBO) Art. 23a(1) NBO Art. 24a NBO	Broadly consistent	The implementation measures of the Swiss authorities are broadly consistent with Principle 13. The overall rating has been influenced by the minor gaps or shortcomings identified for KC 4. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KC 4.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	13.1	An FMI should have effective and clearly defined rules and procedures to manage a participant default. These rules and procedures should be designed to ensure that the FMI can take timely action to contain losses and liquidity pressures and continue to meet its obligations.	An FMI should have default rules and procedures that enable the FMI to continue to meet its obligations in the event of a participant default and that address the replenishment of resources following a default.	Art. 24a(1–2) NBO	Broadly consistent	
PS	13.2	An FMI should have effective and clearly defined rules and procedures to manage a participant default. These rules and procedures should be designed to ensure that the FMI can take timely action to contain losses and liquidity pressures and continue to meet its obligations.	An FMI should be well prepared to implement its default rules and procedures, including any appropriate discretionary procedures provided for in its rules.	Art. 23 NBO Art. 24a(3) NBO	Broadly consistent	
PS	13.3	An FMI should have effective and clearly defined rules and procedures to manage a participant default. These rules and procedures should be designed to ensure that the FMI can take timely action to contain losses and liquidity pressures and continue to meet its obligations.	An FMI should publicly disclose key aspects of its default rules and procedures.	Art. 23a(1) NBO	Broadly consistent	
PS	13.4	An FMI should have effective and clearly defined rules and procedures to manage a participant default. These rules and procedures should be designed to ensure that the FMI can take timely action to contain losses and liquidity pressures and continue to meet its obligations.	An FMI should involve its participants and other stakeholders in the testing and review of the FMI's default procedures, including any close-out procedures. Such testing and review should be conducted at least annually or following material changes to the rules and procedures to ensure that they are practical and effective.	Art. 24a(3) NBO Art. 27(2) NBO	Broadly consistent	There is a minor gap as the Swiss regulations do not explicitly address the requirement to involve relevant stakeholders in the testing and review of the FMI's default procedures. In addition, the requirement to conduct such testing and review following material changes to the rules and procedures of the PS is also not addressed explicitly in the Swiss regulations.
PS	15.0	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.		Art. 2(1)(r) NBO Art. 22(1)(b) NBO Art. 22a(3) NBO Art. 26 NBO Art. 27(1) NBO Art. 31 NBO Art. 21–26 Capital Adequacy Ordinance (CAO)	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	15.1	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.	An FMI should have robust management and control systems to identify, monitor, and manage general business risks, including losses from poor execution of business strategy, negative cash flows, or unexpected and excessively large operating expenses.	Art. 22(1)(b) NBO Art. 27(1) NBO Art. 31(1) NBO	Consistent	
PS	15.2	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.	An FMI should hold liquid net assets funded by equity (such as common stock, disclosed reserves, or other retained earnings) so that it can continue operations and services as a going concern if it incurs general business losses. The amount of liquid net assets funded by equity an FMI should hold should be determined by its general business risk profile and the length of time required to achieve a recovery or orderly wind-down, as appropriate, of its critical operations and services if such action is taken.	Art. 31(2–3) NBO Art. 26 NBO	Consistent	
PS	15.3	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.	An FMI should maintain a viable recovery or orderly wind-down plan and should hold sufficient liquid net assets funded by equity to implement this plan. At a minimum, an FMI should hold liquid net assets funded by equity equal to at least six months of current operating expenses. These assets are in addition to resources held to cover participant defaults or other risks covered under the financial resources principles. However, equity held under international risk-based capital standards can be included where relevant and appropriate to avoid duplicate capital requirements.	Art. 26 NBO Art. 31(2-3) NBO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	15.4	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.	Assets held to cover general business risk should be of high quality and sufficiently liquid in order to allow the FMI to meet its current and projected operating expenses under a range of scenarios, including in adverse market conditions.	Art. 31(2) NBO Art. 26 NBO Art. 2(1)(q) and (1)(r) NBO Art. 21–26 CAO SNB's explanatory note to the NBO	Consistent	The NBO requires systemically important PSs to identify scenarios that might jeopardise their viability, but does not explicitly address the need for the PS's assets held to cover general business risk sufficient to meet their needs under those scenarios. However, this shortcoming may be addressed in the Swiss Regulatory Notes that the Swiss authorities rely on to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.
PS	15.5	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.	An FMI should maintain a viable plan for raising additional equity should its equity fall close to or below the amount needed. This plan should be approved by the board of directors and updated regularly.	Art. 31(4) NBO Art. 31(2) NBO Art. 22a(4) NBO Art. 26 NBO Art. 31(4) NBO	Consistent	
PS	16.0	An FMI should safeguard its own and its participants' assets and minimise the risk of loss on and delay in access to these assets. An FMI's investments should be in instruments with minimal credit, market, and liquidity risks.		Art. 24a NBO Art. 28a NBO Art. 30 NBO	Broadly consistent	The implementation measures of the Swiss regulators are broadly consistent with Principle 16. The overall rating has been influenced by the minor gaps or shortcomings regarding KC 1. Switzerland is recommended to implement measures that address the identified gaps or inconsistencies, related to KC 1.
PS	16.1	An FMI should safeguard its own and its participants' assets and minimise the risk of loss on and delay in access to these assets. An FMI's investments should be in instruments with minimal credit, market, and liquidity risks.	An FMI should hold its own and its participants' assets at supervised and regulated entities that have robust accounting practices, safekeeping procedures, and internal controls that fully protect these assets.		Broadly consistent	There is a minor gap in the Swiss regulations, which do not require assets to be held at "supervised and regulated entities that have robust accounting practices, safekeeping procedures, and internal controls that fully protect these assets." The regulations only require this in so far as possible. This shortcoming is assessed to be minor, having taken into consideration that the Swiss authorities during their oversight and supervisory activities do not allow FMIs to use entities that are not regulated and supervised, unless those custodians are central banks.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	16.2	An FMI should safeguard its own and its participants' assets and minimise the risk of loss on and delay in access to these assets. An FMI's investments should be in instruments with minimal credit, market, and liquidity risks.	An FMI should have prompt access to its assets and the assets provided by participants, when required.		Broadly consistent	
PS	16.3	An FMI should safeguard its own and its participants' assets and minimise the risk of loss on and delay in access to these assets. An FMI's investments should be in instruments with minimal credit, market, and liquidity risks.	An FMI should evaluate and understand its exposures to its custodian banks, taking into account the full scope of its relationships with each.		Broadly consistent	
PS	16.4	An FMI should safeguard its own and its participants' assets and minimise the risk of loss on and delay in access to these assets. An FMI's investments should be in instruments with minimal credit, market, and liquidity risks.	An FMI's investment strategy should be consistent with its overall risk-management strategy and fully disclosed to its participants, and investments should be secured by, or be claims on, high-quality obligors. These investments should allow for quick liquidation with little, if any, adverse price effect.		Broadly consistent	
PS	17.0	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.		Art. 22 NBO Art. 22a (3) NBO Art. 27(1) NBO Art. 32 NBO Art. 32a NBO Art. 32b NBO Art. 32c NBO Art. 32d NBO Art. 34 NBO Art. 37 NBO	Consistent	The implementation measures are consistent with Principle 17, however, there are minor gaps or shortcomings with KC 2 that have no material impact on completeness or consistency. Switzerland is recommended to implement measures which address the identified gaps or inconsistency related to KC 2.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	17.1	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should establish a robust operational risk-management framework with appropriate systems, policies, procedures, and controls to identify, monitor, and manage operational risks.	Art. 22(1)(b) NBO Art. 27(1) NBO Art. 32 NBO	Consistent	
PS	17.2	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI's board of directors should clearly define the roles and responsibilities for addressing operational risk and should endorse the FMI's operational risk-management framework. Systems, operational policies, procedures, and controls should be reviewed, audited, and tested periodically and after significant changes.	Art. 22(1) NBO Art. 22a(3) NBO Art. 32b(4) NBO Art. 32b(4–5) NBO Art. 32b(3) NBO Art. 32a(4) NBO Art. 32a(2) NBO Art. 37(3) NBO	Consistent	There is a minor gap stemming from the absence of an explicit requirement to periodically, and after significant changes, test systems, operational policies and controls.
PS	17.3	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should have clearly defined operational reliability objectives and should have policies in place that are designed to achieve those objectives.	Art. 32a(2–3) NBO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	17.4	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should ensure that it has scalable capacity adequate to handle increasing stress volumes and to achieve its service-level objectives.	Art. 32a(3) NBO	Consistent	
PS	17.5	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should have comprehensive physical and information security policies that address all potential vulnerabilities and threats.	Art. 32 NBO Art. 32a(1) NBO Art. 32a(3) NBO Art. 32c NBO	Consistent	
PS	17.6	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should have a business continuity plan that addresses events posing a significant risk of disrupting operations, including events that could cause a wide-scale or major disruption. The plan should incorporate the use of a secondary site and should be designed to ensure that critical information technology (IT) systems can resume operations within two hours following disruptive events. The plan should be designed to enable the FMI to complete settlement by the end of the day of the disruption, even in case of extreme circumstances. The FMI should regularly test these arrangements.	Art. 32b NBO Art. 32c NBO Art. 32a and 32b NBO Art. 25a(2) NBO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	17.7	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should identify, monitor, and manage the risks that key participants, other FMIs, and service and utility providers might pose to its operations. In addition, an FMI should identify, monitor, and manage the risks its operations might pose to other FMIs.	Art. 27(1) NBO Art. 27(3) NBO Art. 32 NBO Art. 32b NBO Art. 32d NBO Art. 34(1) NBO	Consistent	
PS	18.0	An FMI should have objective, risk-based, and publicly disclosed criteria for participation, which permit fair and open access.		Art. 23 NBO Art. 23a NBO Art. 24 NBO	Consistent	
PS	18.1	An FMI should have objective, risk-based, and publicly disclosed criteria for participation, which permit fair and open access.	An FMI should allow for fair and open access to its services, including by direct and, where relevant, indirect participants and other FMIs, based on reasonable risk-related participation requirements.	Art. 24(1) NBO Art. 23(1)(a) NBO	Consistent	The approach taken by the SNB for the central bank-owned RTGS is consistent with paragraph 1.23 of the PFMI, as elaborated in the CPMI-IOSCO guidance note Application of the Principles for financial market infrastructures to central bank FMIs.
PS	18.2	An FMI should have objective, risk-based, and publicly disclosed criteria for participation, which permit fair and open access.	An FMI's participation requirements should be justified in terms of the safety and efficiency of the FMI and the markets it serves, be tailored to and commensurate with the FMI's specific risks, and be publicly disclosed. Subject to maintaining acceptable risk control standards, an FMI should endeavour to set requirements that have the least-restrictive impact on access that circumstances permit.	Art. 24(2–3) NBO Art. 23a(1d) NBO	Consistent	The approach taken by the SNB for the central bank-owned RTGS is consistent with paragraph 1.23 of the PFMI, as elaborated in the CPMI-IOSCO guidance note Application of the Principles for financial market infrastructures to central bank FMIs.
PS	18.3	An FMI should have objective, risk-based, and publicly disclosed criteria for participation, which permit fair and open access.	An FMI should monitor compliance with its participation requirements on an ongoing basis and have clearly defined and publicly disclosed procedures for facilitating the suspension and orderly exit of a participant that breaches, or no longer meets, the participation requirements.		Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	19.0	An FMI should identify, monitor, and manage the material risks to the FMI arising from tiered participation arrangements.		Art. 22(2) NBO Art. 33 NBO	Partly consistent	The implementation measures of the Swiss regulators are partly consistent with Principle 19. The overall rating has been influenced by the significant gaps or shortcomings regarding KCs 1, 2, 3 and 4. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KCs 1, 2, 3 and 4.
PS	19.1	An FMI should identify, monitor, and manage the material risks to the FMI arising from tiered participation arrangements.	An FMI should ensure that its rules, procedures, and agreements allow it to gather basic information about indirect participation in order to identify, monitor, and manage any material risks to the FMI arising from such tiered participation arrangements.	Art. 33 NBO Art. 22(2) NBO	Partly consistent	There is a significant gap regarding the requirement that FMIs should ensure that their rules, procedures, and agreements allow them to gather basic information about all indirect participation, regardless of the type of indirect participant. The NBO only requires FMIs to gather this information for indirect participants that are identifiable to the FMI. Further, SNB only requires SIC AG to gather information and monitor and manage indirect participation insofar as SIC AG can identify the sender/receiver in the payment message.
PS	19.2	An FMI should identify, monitor, and manage the material risks to the FMI arising from tiered participation arrangements.	An FMI should identify material dependencies between direct and indirect participants that might affect the FMI.	Art. 33 NBO SNB’s explanatory note to the NBO	Partly consistent	There is a significant gap regarding the requirement that FMIs should ensure that their rules, procedures, and agreements allow them to gather basic information about all indirect participation, regardless of the type of indirect participant. The NBO only requires FMIs to gather this information for indirect participants that are identifiable to the FMI. Further, SNB only requires SIC AG to gather information and monitor and manage indirect participation insofar as SIC AG can identify the sender/receiver in the payment message.
PS	19.3	An FMI should identify, monitor, and manage the material risks to the FMI arising from tiered participation arrangements.	An FMI should identify indirect participants responsible for a significant proportion of transactions processed by the FMI and indirect participants whose transaction volumes or values are large relative to the capacity of the direct participants through which they access the FMI in order to manage the risks arising from these transactions.	Art. 33 NBO SNB’s explanatory note to the NBO	Partly consistent	There is a significant gap regarding the requirement that FMIs should ensure that their rules, procedures, and agreements allow them to gather basic information about all indirect participation, regardless of the type of indirect participant. The NBO only requires FMIs to gather this information for indirect participants that are identifiable to the FMI. Further, SNB only requires SIC AG to gather information and monitor and manage indirect participation insofar as SIC AG can identify the sender/receiver in the payment message.
PS	19.4	An FMI should identify, monitor, and manage the material risks to the FMI arising from tiered participation arrangements.	An FMI should regularly review risks arising from tiered participation arrangements and should take mitigating action when appropriate.	Art. 33 NBO	Partly consistent	There is a gap in the NBO regarding the requirement that FMIs should regularly review risks arising from tiered participation arrangements and should take mitigating action when appropriate. However, there are general risk provisions that may capture this.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	21.0	An FMI should be efficient and effective in meeting the requirements of its participants and the markets it serves.		Art. 22 NBO Art. 22a NBO Art. 22b NBO	Broadly consistent	The implementation measures of the Swiss regulators are broadly consistent with Principle 21. The overall rating has been influenced by the minor gaps or shortcomings regarding KC 2 and KC 3. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KCs 2 and 3.
PS	21.1	An FMI should be efficient and effective in meeting the requirements of its participants and the markets it serves.	An FMI should be designed to meet the needs of its participants and the markets it serves, in particular, with regard to choice of a clearing and settlement arrangement; operating structure; scope of products cleared, settled, or recorded; and use of technology and procedures.	Art. 22(2) NBO SNB's explanatory note to the NBO	Broadly consistent	The approach taken by the SNB for the central bank-owned RTGS is consistent with paragraph 1.23 of the PFMI, as elaborated in the CPMI-IOSCO guidance note Application of the Principles for financial market infrastructures to central bank FMIs.
PS	21.2	An FMI should be efficient and effective in meeting the requirements of its participants and the markets it serves.	An FMI should have clearly defined goals and objectives that are measurable and achievable, such as in the areas of minimum service levels, risk-management expectations, and business priorities.	Art. 22(1) NBO Art. 22b NBO	Broadly consistent	While the Swiss regulations require appropriate corporate management rules and organisation, there is a minor gap since there are no explicit requirements for these to be measurable and achievable.
PS	21.3	An FMI should be efficient and effective in meeting the requirements of its participants and the markets it serves.	An FMI should have established mechanisms for the regular review of its efficiency and effectiveness.	Art. 22(1) NBO Art. 22a(1) NBO Art. 22a(4) NBO	Broadly consistent	While the Swiss regulations require appropriate corporate management rules and organisation, and that the boards work should be evaluated regularly, there is, however, a minor gap regarding explicit requirements on mechanisms for the regular review of an FMI's efficiency and effectiveness.
PS	22.0	An FMI should use, or at a minimum accommodate, relevant internationally accepted communication procedures and standards in order to facilitate efficient payment, clearing, settlement, and recording.		Art. 22(2) NBO Art. 32 NBO	Not consistent	While the intent of the Swiss authorities is that the NBO be interpreted in a manner that is consistent with the PFMI, there is no explicit requirement on FMIs to accommodate internationally expected communications procedures and standards. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to Principle 22.
PS	22.1	An FMI should use, or at a minimum accommodate, relevant internationally accepted communication procedures and standards in order to facilitate efficient payment, clearing, settlement, and recording.	An FMI should use, or at a minimum accommodate, internationally accepted communication procedures and standards.	Art. 22(2) NBO SNB's explanatory note to the NBO Art. 32 NBO	Not consistent	While the intent of the Swiss authorities is to rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI, there is no explicit requirement on FMIs to accommodate internationally expected communications procedures and standards.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	23.0	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.		Art. 23 NBO Art. 23a NBO Art. 27(3) NBO	Consistent	The implementation measures are consistent with Principle 23, although there are gaps or shortcomings with KC 3 that have no material impact on completeness or consistency. Wherever there are inconsistencies in language between the Swiss regulations and the PFMI, Switzerland is recommended to consider providing clarity to PSs with respect to minimum standards.
PS	23.1	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.	An FMI should adopt clear and comprehensive rules and procedures that are fully disclosed to participants. Relevant rules and key procedures should also be publicly disclosed.	Art. 23(1) NBO Art. 23a NBO	Consistent	
PS	23.2	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.	An FMI should disclose clear descriptions of the system's design and operations, as well as the FMI's and participants' rights and obligations, so that participants can assess the risks they would incur by participating in the FMI.	Art. 23(1) NBO Art. 23a NBO	Consistent	
PS	23.3	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.	An FMI should provide all necessary and appropriate documentation and training to facilitate participants' understanding of the FMI's rules and procedures and the risks they face from participating in the FMI.	Art. 23(1) NBO Art. 23a(1) NBO Art. 27(3) NBO	Consistent	The Swiss regulation does not require a PS to provide training to facilitate participants' understanding of rules and procedures and risks they face from participating in the FMI. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
PS	23.4	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.	An FMI should publicly disclose its fees at the level of individual services it offers as well as its policies on any available discounts. The FMI should provide clear descriptions of priced services for comparability purposes.	Art. 23a NBO	Consistent	
PS	23.5	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.	An FMI should complete regularly and disclose publicly responses to the CPSS-IOSCO Disclosure framework for financial market infrastructures. An FMI also should, at a minimum, disclose basic data on transaction volumes and values.	Art. 23a NBO SNB's explanatory note to the NBO Art. 23a(2) NBO	Consistent	
TR	1.0	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.		Art. 4–21, 74–79, 88, 92 Financial Market Infrastructure Act (FMIA) Art. 4–19, 59–65, 73–75 Financial Market Infrastructure Ordinance (FMIO) Art. 24–37 and 37d–37g of the Swiss Federal Act on Banks and Saving Banks (BA) FINMA Circular on corporate governance	Partly consistent	The implementation measures for TRs are partly consistent with Principle 1. The overall rating has been influenced in particular by a significant gap regarding KC 1 as well as minor gaps in KCs 2, 3, 4 and 5. As TRs are not considered to be systemically important, they are subject to a narrower legal and regulatory basis than systemically important FMIs. Switzerland is recommended to implement measures which address the gaps or identified inconsistencies related to KCs 1 to 5. Furthermore, wherever there are inconsistencies in language between the Swiss regulations and the PFMI, FINMA is recommended to provide clarity to TRs with respect to minimum standards.
TR	1.1	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.	The legal basis should provide a high degree of certainty for each material aspect of an FMI's activities in all relevant jurisdictions.	Art. 4(1), 8–21, 74–79, 88, 92 FMIA Art. 4–19, 59–65, 73–75 FMIO Art. 24–37 and 37d–37g BA	Partly consistent	There is a significant gap created by the absence of requirements to provide for a high degree of legal certainty in each material aspect of a TR's activities in all relevant jurisdictions.
TR	1.2	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.	An FMI should have rules, procedures, and contracts that are clear, understandable, and consistent with relevant laws and regulations.	Art. 4, 5, 7 and 21 FMIA Art. 19 FMIO	Partly consistent	There is a minor gap created by the lack of a requirement to fully (and directly) require that contracts are clear, understandable, and consistent with relevant laws and regulations. However, there are general risk provisions that may help capture this.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
TR	1.3	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.	An FMI should be able to articulate the legal basis for its activities to relevant authorities, participants, and, where relevant, participants' customers, in a clear and understandable way.	Art. 4, 5, 7 and 21 FMIA Art. 19 FMIO	Partly consistent	There is a minor gap created by the absence of explicit requirements for the articulation in a clear and understandable way of the legal basis by the TR. However, there are general risk provisions that may help capture this.
TR	1.4	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.	An FMI should have rules, procedures, and contracts that are enforceable in all relevant jurisdictions. There should be a high degree of certainty that actions taken by the FMI under such rules and procedures will not be voided, reversed, or subject to stays.	Art. 88, 89(2–3), 90, 92 FMIA Art. 24 to 37 and 37d to 37g of the Banking Act	Partly consistent	There is a minor gap created by the lack of requirements to ensure that rules, procedures, and contracts are enforceable in all relevant jurisdictions. However, there are general risk provisions that may help capture this.
TR	1.5	An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions.	An FMI conducting business in multiple jurisdictions should identify and mitigate the risks arising from any potential conflict of laws across jurisdictions.	Art. 8 FMIA Art. 9(1) FMIO	Partly consistent	There is a minor gap as the Swiss regulations do not explicitly address the need for FMIs conducting business in multiple jurisdictions to identify and manage risks arising from potential conflict of laws across jurisdictions. However there are general risk provisions that may help capture this.
TR	2.0	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.		Art. 1(2),8, 9, 19–21 FMIA Art. 4, 8–10, 18–19 FMIO	Broadly consistent	The implementation measures for TRs are broadly consistent with Principle 2. The overall rating has been influenced by the minor gaps or shortcomings in the implementation measures for KCs 1, 3 and 6. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KCs 1, 3 and 6.
TR	2.1	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	An FMI should have objectives that place a high priority on the safety and efficiency of the FMI and explicitly support financial stability and other relevant public interest considerations.	Art. 1(2), 8(1) FMIA Art. 4(2) FMIO	Broadly consistent	There is a minor gap as the Swiss regulations do not explicitly address the need for FMIs to have objectives that explicitly support financial stability and other relevant public interest considerations.
TR	2.2	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	2. An FMI should have documented governance arrangements that provide clear and direct lines of responsibility and accountability. These arrangements should be disclosed to owners, relevant authorities, participants, and, at a more general level, the public	Art. 8, 19, 21 FMIA Art.4, 5, 8(1) FMIO	Broadly consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
TR	2.3	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	The roles and responsibilities of an FMI's board of directors (or equivalent) should be clearly specified, and there should be documented procedures for its functioning, including procedures to identify, address, and manage member conflicts of interest. The board should review both its overall performance and the performance of its individual board members regularly.	Art. 8(2), 20 FMIA Art. 8 FMIO FINMA Circular on Governance	Broadly consistent	There is a minor gap due to the fact that, while there is a requirement for FMIs to assess the board's overall performance, the requirement to ask the board to regularly review the performance of its individual board members is not explicitly addressed by the Swiss regulations.
TR	2.4	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	The board should contain suitable members with the appropriate skills and incentives to fulfil its multiple roles. This typically requires the inclusion of non-executive board member(s).	Art. 9 FMIA Art. 8–10 FMIO	Broadly consistent	There is an immaterial gap in KC 4 as the Swiss regulations do not explicitly refer to the inclusion of non-executive board member(s).
TR	2.5	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	The roles and responsibilities of management should be clearly specified. An FMI's management should have the appropriate experience, a mix of skills, and the integrity necessary to discharge their responsibilities for the operation and risk management of the FMI.	Art. 8–9 FMIA Art. 8–10 FMI	Broadly consistent	
TR	2.6	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	The board should establish a clear, documented risk-management framework that includes the FMI's risk-tolerance policy, assigns responsibilities and accountability for risk decisions, and addresses decision making in crises and emergencies. Governance arrangements should ensure that the risk-management and internal control functions have sufficient authority, independence, resources, and access to the board.	Art. 8 FMIA Art. 8–9 FMIO FINMA Circular on auditing	Broadly consistent	There is a minor gap as the Swiss regulations do not explicitly address the need for the risk management function to have sufficient authority, independence, resources, and access to the board.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
TR	2.7	An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.	The board should ensure that the FMI's design, rules, overall strategy, and major decisions reflect appropriately the legitimate interests of its direct and indirect participants and other relevant stakeholders. Major decisions should be clearly disclosed to relevant stakeholders and, where there is a broad market impact, the public.	Art. 8(5), 18–19 FMIO Art. 21 FMIA	Broadly consistent	
TR	3.0	An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.		Art. 8, 13–14, 84 FMIA Art. 9, 14–15, 20 FMIO Art. 9 (1) Auditor Oversight Act, (AOA)	Partly consistent	The implementation measures for TRs are partly consistent with Principle 3. The overall rating has been influenced by a significant gap regarding KC 4, as well as minor gaps in KCs 1 and 3. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KCs 1, 3 and 4. Furthermore, wherever there are inconsistencies in language between the Swiss regulations and the PFMI, FINMA is recommended to consider providing clarity to TRs with respect to minimum standards.
TR	3.1	An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.	An FMI should have risk-management policies, procedures, and systems that enable it to identify, measure, monitor, and manage the range of risks that arise in or are borne by the FMI. Risk-management frameworks should be subject to periodic review.	Art. 8(3), 84 FMIA Art. 9 FMIO Art. 9a(1) Auditor Oversight Act (AOA) Art. 24 FINMASA	Partly consistent	There is a minor gap as the Swiss regulations address the need for TRs to have a risk management framework, but do not explicitly address the need for the risk management framework to be subject to periodic review.
TR	3.2	An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.	An FMI should provide incentives to participants and, where relevant, their customers to manage and contain the risks they pose to the FMI.	Art. 9 FMIO	Partly consistent	
TR	3.3	An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.	An FMI should regularly review the material risks it bears from and poses to other entities (such as other FMIs, settlement banks, liquidity providers, and service providers) as a result of interdependencies and develop appropriate risk-management tools to address these risks.	See KC 1 and Principle 20	Partly consistent	There is a minor gap as the Swiss regulations address the need for TRs to have a risk management framework, but do not set requirements to "regularly review the material risks" or "interdependencies."

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
TR	3.4	An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks.	An FMI should identify scenarios that may potentially prevent it from being able to provide its critical operations and services as a going concern and assess the effectiveness of a full range of options for recovery or orderly wind-down. An FMI should prepare appropriate plans for its recovery or orderly wind-down based on the results of that assessment. Where applicable, an FMI should also provide relevant authorities with the information needed for purposes of resolution planning.	Art. 13(1–2), 14(1) FMIA Art. 14–15 FMIO	Partly consistent	There is a significant gap as the Swiss regulations do not explicitly address the need for TRs to: (i) identify multiple scenarios that may potentially prevent the TR from being able to provide their critical operations and services as a going concern, (ii) prepare appropriate plans for their recovery or orderly wind-down, and (iii) also provide relevant authorities with the information needed for purposes of resolution planning.
TR	15.0	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.		Art. 12(1), 13(1) letter d FMIA Art. 9 FMIO	Partly consistent	The implementation measures are partly consistent with Principle 15. The overall rating has been influenced by gaps or shortcomings regarding all KCs. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to all KCs of Principle 15.
TR	15.1	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.	An FMI should have robust management and control systems to identify, monitor, and manage general business risks, including losses from poor execution of business strategy, negative cash flows, or unexpected and excessively large operating expenses.	Art. 9 FMIO	Partly consistent	There is a minor gap in the Swiss regulations since there is no reference to “including losses from poor execution of business strategy, negative cash flows, or unexpected and excessively large operating expenses.”

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
TR	15.2	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.	An FMI should hold liquid net assets funded by equity (such as common stock, disclosed reserves, or other retained earnings) so that it can continue operations and services as a going concern if it incurs general business losses. The amount of liquid net assets funded by equity an FMI should hold should be determined by its general business risk profile and the length of time required to achieve a recovery or orderly wind-down, as appropriate, of its critical operations and services if such action is taken.	Art. 12(1), 13(1) letter d FMIA	Partly consistent	There is a significant gap created by the absence of requirements in legislation that refer to “the amount of liquid net assets funded by equity an FMI should hold should be determined by its general business risk profile and the length of time required to achieve a recovery or orderly wind-down, as appropriate, of its critical operations and services if such action is taken” (in the event the cost of achieving a recovery or orderly wind-down is greater than the minimum equity capital) and regarding rules and time table for the replenishment of the necessary “liquid net assets funded by equity.”
TR	15.3	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.	An FMI should maintain a viable recovery or orderly wind-down plan and should hold sufficient liquid net assets funded by equity to implement this plan. At a minimum, an FMI should hold liquid net assets funded by equity equal to at least six months of current operating expenses. These assets are in addition to resources held to cover participant defaults or other risks covered under the financial resources principles. However, equity held under international risk-based capital standards can be included where relevant and appropriate to avoid duplicate capital requirements.	Art. 13(1) letter d FMIA	Partly consistent	A significant gap is created by the absence of legislation requiring a TR to establish and “maintain a viable recovery or orderly wind-down plan and should hold sufficient liquid net assets funded by equity to implement this plan.”
TR	15.4	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.	Assets held to cover general business risk should be of high quality and sufficiently liquid in order to allow the FMI to meet its current and projected operating expenses under a range of scenarios, including in adverse market conditions.	Art. 13(1) letter d FMIA	Partly consistent	A significant gap is created by the absence of legislation requiring a TR to have rules, procedures and a time table in the event that it needs assets beyond the minimum equity capital.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
TR	15.5	An FMI should identify, monitor, and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services.	An FMI should maintain a viable plan for raising additional equity should its equity fall close to or below the amount needed. This plan should be approved by the board of directors and updated regularly.	Art. 13(1) letter d FMIA	Partly consistent	A significant gap is created by the absence of requirements in legislation referring to the need for TRs to maintain a viable plan for raising additional equity should their equity fall close to or below the amount needed, and that this plan should be approved by the board of directors and updated regularly.
TR	17.0	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.		Art. 11, 13–14, 18 FMIA Art. 8(3), 9, 11, 14–15, 17 FMIO	Partly consistent	The implementation measures are partly consistent with Principle 17. The overall rating has been influenced by the gaps or shortcomings for KCs 1, 2, 5 and 6 Switzerland is recommended to implement measures which address the identified gaps or inconsistency related to KCs 1, 2, 5 and 6. Wherever there are inconsistencies in language between the Swiss regulations and the PFMI, Switzerland is recommended to consider providing clarity to TRs with respect to minimum standards.
TR	17.1	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should establish a robust operational risk-management framework with appropriate systems, policies, procedures, and controls to identify, monitor, and manage operational risks.	Art. 9(1) Art. 13(1)	Partly consistent	There is a minor gap created by the absence of requirements in legislation referring to the need to have a specific framework for operational risk management.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
TR	17.2	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI's board of directors should clearly define the roles and responsibilities for addressing operational risk and should endorse the FMI's operational risk-management framework. Systems, operational policies, procedures, and controls should be reviewed, audited, and tested periodically and after significant changes.	Art. 13(1) FMIA Art. 8(3), 14(1) and (4) FMIO	Partly consistent	There is a significant gap created by the absence of requirements in legislation specifying that (i) systems, operational policies, procedures, and controls should be reviewed, audited, and tested periodically and after significant changes, (ii) the BOD should endorse the FMI's operational risk management framework, and (iii) a review of the business impact analysis is not the same as reviewing the FMI's operational risk management framework as a whole.
TR	17.3	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should have clearly defined operational reliability objectives and should have policies in place that are designed to achieve those objectives.	Art. 14(2) and (3) FMIO	Partly consistent	
TR	17.4	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should ensure that it has scalable capacity adequate to handle increasing stress volumes and to achieve its service-level objectives.	Art. 14 FMIA Art. 15 FMIO	Partly consistent	There is a non-material gap created by the absence of requirements in legislation referring explicitly to ensuring scalable capacity adequate to handle increasing stress volumes and to achieve its service-level objectives

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
TR	17.5	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should have comprehensive physical and information security policies that address all potential vulnerabilities and threats.	Art. 14 FMIA Art. 15 FMIO	Partly consistent	There is a minor gap created by the absence of requirements in legislation referring to physical security policies and measures.
TR	17.6	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should have a business continuity plan that addresses events posing a significant risk of disrupting operations, including events that could cause a wide-scale or major disruption. The plan should incorporate the use of a secondary site and should be designed to ensure that critical information technology (IT) systems can resume operations within two hours following disruptive events. The plan should be designed to enable the FMI to complete settlement by the end of the day of the disruption, even in case of extreme circumstances. The FMI should regularly test these arrangements.	Art. 11,13, 18(2) FMIA Art. 11(3), 17(2) FMIO	Partly consistent	There is a significant gap created by the absence of requirements in legislation referring to the use of a secondary site, the objective to resume operations within two hours following disruptive events, and that the FMI should regularly test these arrangements.
TR	17.7	An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption.	An FMI should identify, monitor, and manage the risks that key participants, other FMIs, and service and utility providers might pose to its operations. In addition, an FMI should identify, monitor, and manage the risks its operations might pose to other FMIs.	Art. 9 (2–3) FMIO	Partly consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
TR	18.0	An FMI should have objective, risk-based, and publicly disclosed criteria for participation, which permit fair and open access.		Art. 18, 21 FMIA Art. 17, 19 FMIO	Consistent	
TR	18.1	An FMI should have objective, risk-based, and publicly disclosed criteria for participation, which permit fair and open access.	An FMI should allow for fair and open access to its services, including by direct and, where relevant, indirect participants and other FMIs, based on reasonable risk-related participation requirements.	Art. 18(1), 21(1) FMIA Art. 17(2) FMIO	Consistent	
TR	18.2	An FMI should have objective, risk-based, and publicly disclosed criteria for participation, which permit fair and open access.	An FMI's participation requirements should be justified in terms of the safety and efficiency of the FMI and the markets it serves, be tailored to and commensurate with the FMI's specific risks, and be publicly disclosed. Subject to maintaining acceptable risk control standards, an FMI should endeavour to set requirements that have the least-restrictive impact on access that circumstances permit.	Art. 18(2) FMIA Art. 17 FMIO	Consistent	
TR	18.3	An FMI should have objective, risk-based, and publicly disclosed criteria for participation, which permit fair and open access.	An FMI should monitor compliance with its participation requirements on an ongoing basis and have clearly defined and publicly disclosed procedures for facilitating the suspension and orderly exit of a participant that breaches, or no longer meets, the participation requirements.	Art. 19 FMIO	Consistent	
TR	19.0	An FMI should identify, monitor, and manage the material risks to the FMI arising from tiered participation arrangements.		Art. 8 (3) FMIA Art. 9(3–4) FMIO	Broadly consistent	The implementation measures are broadly consistent with Principle 19. The overall rating has been influenced by the minor gaps or shortcomings regarding KCs, 1 3 and 4. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KCs 3 and 4. Wherever there are inconsistencies in language between the Swiss regulations and the PFMI, Switzerland is recommended to consider providing clarity to TRs with respect to minimum standards.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
TR	19.1	An FMI should identify, monitor, and manage the material risks to the FMI arising from tiered participation arrangements.	An FMI should ensure that its rules, procedures, and agreements allow it to gather basic information about indirect participation in order to identify, monitor, and manage any material risks to the FMI arising from such tiered participation arrangements.	Art. 9(3–4) FMIO	Broadly consistent	There is a non-material gap created by the absence of legislation noting the potential applicability of tiered participation arrangement requirements, since a reporting entity (or many) could delegate its (their) reporting to a third party which may or may not be a direct participant to a TR.
TR	19.2	An FMI should identify, monitor, and manage the material risks to the FMI arising from tiered participation arrangements.	An FMI should identify material dependencies between direct and indirect participants that might affect the FMI.	Art. 9(3–4) FMIO	Broadly consistent	
TR	19.3	An FMI should identify, monitor, and manage the material risks to the FMI arising from tiered participation arrangements.	An FMI should identify indirect participants responsible for a significant proportion of transactions processed by the FMI and indirect participants whose transaction volumes or values are large relative to the capacity of the direct participants through which they access the FMI in order to manage the risks arising from these transactions.	Art. 9(4) FMIO Art. 8 (3) FMIA	Broadly consistent	There is a minor gap regarding the requirement that FMIs should ensure that their rules, procedures, and agreements allow them to gather basic information about indirect participation, regardless of the type of indirect participant. The Swiss regulations only require FMIs to gather this information for indirect participants that are identifiable to the FMI.
TR	19.4	An FMI should identify, monitor, and manage the material risks to the FMI arising from tiered participation arrangements.	An FMI should regularly review risks arising from tiered participation arrangements and should take mitigating action when appropriate.	Art. 9(3) FMIO	Broadly consistent	There is a minor gap in the Swiss regulations regarding the requirement that FMIs should regularly review risks arising from tiered participation arrangements and should take mitigating action when appropriate. However, the general risk provisions may help capture this.
TR	20.0	An FMI that establishes a link with one or more FMIs should identify, monitor, and manage link-related risks.		Art. 8, 11 FMIA Art. 9, 11, 12 FMIO	Partly consistent	The implementation measures of the Swiss regulations are partly consistent with Principle 20. The overall rating has been influenced by gaps or shortcomings regarding KCs 1, 2 and 9. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KCs 1, 2 and 9.
TR	20.1	An FMI that establishes a link with one or more FMIs should identify, monitor, and manage link-related risks.	Before entering into a link arrangement and on an ongoing basis once the link is established, an FMI should identify, monitor, and manage all potential sources of risk arising from the link arrangement. Link arrangements should be designed such that each FMI is able to observe the other principles in this report.	Art. 8(3) FMIA Art. 9, 11–12 FMIO	Partly consistent	There is a significant gap created by the absence of requirements in legislation referring to all aspects related to FMI links. However, the catch-all requirements on risk management (Art. 8 (3) FMIA and Art. 9 FMIO) may partly capture this.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
TR	20.2	An FMI that establishes a link with one or more FMIs should identify, monitor, and manage link-related risks.	A link should have a well-founded legal basis, in all relevant jurisdictions, that supports its design and provides adequate protection to the FMIs involved in the link.	Art. 11 FMIA Art. 9, 11–12 FMIO	Partly consistent	There is a significant gap created by the absence of requirements in legislation referring to all aspects related to FMI links. However, the catch-all requirements on risk management (Art. 8 (3) FMIA and Art. 9 FMIO) may partly capture this.
TR	20.9	An FMI that establishes a link with one or more FMIs should identify, monitor, and manage link-related risks.	A TR should carefully assess the additional operational risks related to its links to ensure the scalability and reliability of IT and related resources.	Art. 8 (3) FMIA Art. 9 FMIO	Partly consistent	There is a significant gap created by the absence of requirements in legislation referring to all aspects related to FMI links. However, the catch-all requirements on risk management (Art. 8 (3) FMIA and Art. 9 FMIO) may partly capture this.
TR	21.0	An FMI should be efficient and effective in meeting the requirements of its participants and the markets it serves.		Art. 8 FMIA Art. 6, 8 FMIO	Broadly consistent	The implementation measures of the Swiss regulators are broadly consistent with Principle 21. The overall rating has been influenced by the minor gaps or shortcomings regarding KCs 1, 2 and KC 3. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KCs 1, 2 and 3.
TR	21.1	An FMI should be efficient and effective in meeting the requirements of its participants and the markets it serves.	An FMI should be designed to meet the needs of its participants and the markets it serves, in particular, with regard to choice of a clearing and settlement arrangement; operating structure; scope of products cleared, settled, or recorded; and use of technology and procedures.	Art. 8(2) FMIA Art. 8(5) FMIO	Broadly consistent	There is a minor gap created by the absence of legislation requiring an FMI to meet the needs of the market it serves, particularly related to the use of technology and procedures of a TR.
TR	21.2	An FMI should be efficient and effective in meeting the requirements of its participants and the markets it serves.	An FMI should have clearly defined goals and objectives that are measurable and achievable, such as in the areas of minimum service levels, risk-management expectations, and business priorities.	Art. 8(2) FMIA Art. 6 FMIO	Broadly consistent	While the Swiss regulations require appropriate corporate management rules and organisation, there is a minor gap since there are no explicit requirements for these to be measurable and achievable.
TR	21.3	An FMI should be efficient and effective in meeting the requirements of its participants and the markets it serves.	An FMI should have established mechanisms for the regular review of its efficiency and effectiveness.	Art. 8(2–3) FMIA Art. 8(3) FMIO	Broadly consistent	While the Swiss regulations require appropriate corporate management rules and organisation, and require the board's work to be evaluated regularly, there is, however, a gap with regard to explicit requirements to establish mechanisms for the regular review of an FMI's efficiency and effectiveness.

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
TR	22.0	An FMI should use, or at a minimum accommodate, relevant internationally accepted communication procedures and standards in order to facilitate efficient payment, clearing, settlement, and recording.		Art. 14 FMIA Art. 8, 15, 61(2), 64(1) FMIO	Partly consistent	The implementation measures of the Swiss regulators are partly consistent, as there is a significant gap in the requirement on TRs to accommodate internationally expected communications procedures and standards Switzerland is recommended to implement measures which address the identified gaps and inconsistencies related to Principle 22.
TR	22.1	An FMI should use, or at a minimum accommodate, relevant internationally accepted communication procedures and standards in order to facilitate efficient payment, clearing, settlement, and recording.	An FMI should use, or at a minimum accommodate, internationally accepted communication procedures and standards.	Art. 14 FMIA Art. 8, 15, 61(2), 64(1) FMIO	Partly consistent	While the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI t, there is a significant gap in the requirement on TRs to accommodate internationally expected communications procedures and standards.
TR	23.0	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.		Art. 21 FMIA Art. 19 FMIO	Consistent	The implementation measures are consistent with Principle 23, although there are gaps or shortcomings with KC 3 that have no material impact on completeness or consistency. Wherever there are inconsistencies in language between the Swiss regulations and the PFMI, Switzerland is recommended to consider providing clarity to TRs with respect to minimum standards.
TR	23.1	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.	An FMI should adopt clear and comprehensive rules and procedures that are fully disclosed to participants. Relevant rules and key procedures should also be publicly disclosed.	Art. 21 FMIA Art. 19 FMIO	Consistent	
TR	23.2	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.	An FMI should disclose clear descriptions of the system’s design and operations, as well as the FMI’s and participants’ rights and obligations, so that participants can assess the risks they would incur by participating in the FMI.	Art. 21 FMIA Art. 19 FMIO	Consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
TR	23.3	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.	An FMI should provide all necessary and appropriate documentation and training to facilitate participants' understanding of the FMI's rules and procedures and the risks they face from participating in the FMI.	Art. 21 FMIA Art. 19 FMIO	Consistent	The Swiss regulation does not require a TR to provide training to facilitate participants' understanding of rules and procedures and risks they face from participating in the FMI. However, this inconsistency in the language between the Swiss regulations and the PFMI is assessed to be immaterial, having taken into consideration that the Swiss authorities rely on the Swiss Regulatory Notes to support their interpretation of the Swiss regulations in a manner that is consistent with the PFMI.
TR	23.4	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.	An FMI should publicly disclose its fees at the level of individual services it offers as well as its policies on any available discounts. The FMI should provide clear descriptions of priced services for comparability purposes.	Art. 19 FMIO	Consistent	
TR	23.5	An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed.	An FMI should complete regularly and disclose publicly responses to the CPSS-IOSCO Disclosure framework for financial market infrastructures. An FMI also should, at a minimum, disclose basic data on transaction volumes and values.	Art. 21 FMIA Art. 19 FMIO	Consistent	
TR	24.0	A TR should provide timely and accurate data to relevant authorities and the public in line with their respective needs.		Art. 13–14, 74–79 FMIA Art. 9, 12, 14–15, 60–65 FMIO	Partly consistent	The implementation measures of the Swiss regulators are broadly consistent with Principle 24. The overall rating has been influenced by the gaps or shortcomings regarding KC 2 and KC 3 respectively. Switzerland is recommended to implement measures which address the identified gaps or inconsistencies related to KCs 2 and 3.
TR	24.1	A TR should provide timely and accurate data to relevant authorities and the public in line with their respective needs.	A TR should provide data in line with regulatory and industry expectations to relevant authorities and the public, respectively, that is comprehensive and at a level of detail sufficient to enhance market transparency and support other public policy objectives.	Art. 14, 74, 76–79 FMIA Art. 12, 14–15, 61, 63–64 FMIO	Partly consistent	

FMI Type	Principle or Type key consideration ID	Principle	Key consideration	Implementation measures	Principle rating	Assessment comments (ie key conclusions and recommendations)
TR	24.2	A TR should provide timely and accurate data to relevant authorities and the public in line with their respective needs.	A TR should have effective processes and procedures to provide data to relevant authorities in a timely and appropriate manner to enable them to meet their respective regulatory mandates and legal responsibilities.	Art. 13–14 FMIA Art. 15, 59, 63–64 FMIO	Partly consistent	There is a significant gap created by the absence of requirements for a TR to provide data to relevant authorities in a timely and appropriate manner to enable them to meet their respective regulatory mandates and legal responsibilities.
TR	24.3	A TR should provide timely and accurate data to relevant authorities and the public in line with their respective needs.	A TR should have robust information systems that provide accurate current and historical data. Data should be provided in a timely manner and in a format that permits it to be easily analysed.	Art. 13–14, 75 FMIA Art. 9, 12, 14–15 FMIO	Partly consistent	There is a significant gap created by the absence of requirements in legislation that the TR should have robust information systems that provide accurate current and historical data. Data should be provided in a timely manner and in a format that permits it to be easily analysed.