Committee on the
Global Financial System

BIS

Bank of England

Secretariat

13 March 2026

CGFS workshop on collateral pre-positioning: 1-2 April 2026, Bank of England

Final agenda

This workshop will focus on the role of collateral pre-positioning within a central bank's collateral framework. Pre-positioning is a process that starts with the provision of information to the central bank about bank assets. The central bank then assesses the eligibility of these assets and establishes the amount of liquidity that the bank can borrow against them (ie the haircut). The central bank also establishes the robustness of its legal rights to secure the assets when lending against them. Finally, these assets enter a pool – of pre-positioned collateral – against which the bank can borrow. As a form of preparation for banks' potential liquidity needs, pre-positioning is particularly relevant if central banks choose to accept a wide set of eligible collateral, some of which takes time to assess and value.

The workshop is organised as follows. Day 1 sessions will cover the objectives and policy trade-offs associated with pre-positioning frameworks, with participants from *central banks, academia and the industry*. Day 2 sessions will cover the operationalisation of central bank collateral frameworks and the challenges associated with designing pre-positioning frameworks, with participants from *central banks only*. The Chatham House Rule will apply.

Day 1: Wednesday 1 April (11:00 – 17:15)

Welcome and introductory remarks (11:00 – 11:10)

- Dave Ramsden

Session 1: Collateral frameworks and pre-positioning: rationale and objectives (11:10-12:40)

Pre-positioning seeks to enhance the usefulness of a central bank's collateral framework for the provision of liquidity to the banking sector. This session will focus on the conceptual underpinnings of pre-positioning. It will also delve into the corresponding policy objectives and possible tensions between them. Relevant themes include:

- Pre-positioning as a means for central banks to conduct significant due diligence on complex and/or non-marketable assets in normal times in order to operate a broad collateral framework in a crisis without taking on undue risks.
- Pre-positioning as a tool to help banks enhance their liquidity risk management – thus, eg preventing runs and fire sales – without excessively interfering with their business models.
- Pre-positioning as a policy measure that complements prudential liquidity measures.
- Pre-positioning as a means for central banks to extend the set of collateral that is eligible in monetary policy (repo) operations, which may have implications for monetary policy implementation and transmission.
- Differences in approaches to pre-positioning across jurisdictions and the extent to which they reflect divergence of objectives.

Chair: Toni Gravelle (Bank of Canada)
Panellists: Stijn Claessens (Yale School of Management), William Dudley (Bretton Woods Committee), Patricia Mosser (Columbia University), John Hoque (HSBC)

Lunch (12:40 – 13:40)

Session 2: Empirical evidence on the economic effects of central banks' collateral frameworks (13:40-15:10)

This session will review the evidence on the impact of central bank collateral eligibility and/or haircut decisions on banks' lending decisions and business models, as well as the effects on wider financial markets – notably, market liquidity – and the real economy. Relevant themes include:

- The impact of collateral eligibility and haircuts on the price and supply of eligible assets and intermediaries' incentives.
- Dependence of these effects on the type – notably, liquidity – of the collateral asset.
- The effects of collateral frameworks on banks' funding structure and lending to the real economy, as well as spillovers to wider financial markets.
- Implications of the breadth of collateral frameworks for asset scarcity and market liquidity.

Chair: Gaston Gelos (Bank for International Settlements)
Panellists: Kjell Nyborg (University of Zurich), Loriana Pelizzon (Goethe University & Leibniz Institute for Financial Research SAFE), José-Luis Peydró (Einaudi Institute for Economics and Finance), Nicolas Pillet (BNP Paribas)

Coffee break (15:10 – 15:30)

Session 3: Trade-offs of pre-positioning within a broad collateral framework (15:30-17:00)

This session will focus on trade-offs that central banks face when implementing pre-positioning within the context of a broad collateral framework that includes complex and/or risky assets. Relevant themes include:

- Balance between (i) understanding and managing the risks of eligible asset types and (ii) accommodating a wide range of bank business models when setting eligibility criteria.
- Balance between (i) collateral eligibility and haircuts and (ii) potential distortionary effects on asset prices, the allocation of bank lending and market neutrality.
- Trade-off between broadening the set of eligible collateral and giving rise to moral hazard. The dependence of this trade-off on pre-positioning processes that help banks better understand how the collateral would be treated in a stress.
- Relevance of pre-positioning for the pursuit of other central bank policy objectives: eg enhance banks' self-insurance against liquidity risk; balance transparency and stigma; optimise asset encumbrance.

Chair: Victoria Saporta (Bank of England)
Panellists: Elena Carletti (Bocconi University), Bill Nelson (Bank Policy Institute), Paul Phillips (Barclays), Michael Waldburger (Swiss National Bank)

Closing remarks (17:00 – 17:15)

- Dave Ramsden

Drinks reception (17:30 – 18:00)

Dinner (18:00 – 19:30)

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Day 2: Thursday 2 April (09:00 – 12:45): Central Banks only

Welcome and reflections on Day 1 (09:00 – 09:15)

- Dave Ramsden

Session 4: Operationalising broad collateral eligibility (09:15-10:45)

This session will discuss the operationalisation of broad collateral frameworks. Relevant themes include:

- Collateral eligibility criteria as a tool to balance (i) financial risks to the central bank and (ii) the impact of pre-positioning on credit allocation, market prices and pro-cyclicality.
- Haircut calibration considerations: objectives; impact on cyclicality; comparison to market-based financing haircuts; risks of cross-central bank arbitrage.
- Ways to achieve maximum consistency between the sets of assets eligible as collateral and assets that are eligible as HQLA under the LCR.
- Central banks' exposure to political risks through broad collateral frameworks.
- The interplay between resolution strategies and mechanisms for central banks taking ownership of collateral in a default.
- Management of financial or market stability risks when the central bank decides how to liquidate large collateral positions after a bank's default.

Chair: Deborah Leonard (Federal Reserve Bank of Chicago)

Panellists: Nilton David (Banco Central do Brasil), Daryl Ho (Hong Kong Monetary Authority), Cornelia Holthausen (European Central Bank), Michele Walsh (Federal Reserve Bank of New York)

Coffee break (10:45 – 11:00)

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Session 5: Designing a pre-positioning framework (11:00-12:00)

This session will discuss challenges associated with designing pre-positioning frameworks. Potential themes include:

- Approaches central banks have taken to promote pre-positioning. How central banks can ensure sufficient collateral is pre-positioned. Pros and cons of requirements on pre-positioning – eg as a share of runnable funding – vs leaving this decision to banks.
- Impact of various disclosure practices and supervisory treatment of pre-positioning on the usability of pre-positioned collateral. Sharing information gathered through pre-positioning between central banks and supervisors; attendant concerns about stigma.
- Approaches to minimising the risk that pre-positioning gives rise to encumbrance problems in normal times, including via "operational encumbrance" (ie impediments to collateral use, other than legal encumbrance).
- Approaches to accelerating the pre-positioning/data collection process (notably, in a crisis), given trade-offs between speed and accuracy of risk assessments.

Chair: Seiichi Shimizu (Bank of Japan)
Panellists: Hong Kee Bahng (Bank of Korea), Nicola Brink (South African Reserve Bank), Marnie DeBoer (Federal Reserve Board), Gerardo Garcia (Banco de México)

Closing remarks (12:00 – 12:45)

- Dave Ramsden