

Committee on Payments
and Market Infrastructures



"The CPMI – its role and activities"

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Committee on Payments and Market Infrastructures

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*Any views expressed in this presentation are those of the presenter and not necessarily those of the BIS

Agenda

- Introduction to the CPMI
- CPMI work: key priorities
- Cyber resilience and wholesale payment security



CPMI = "Plumbers in suits"?

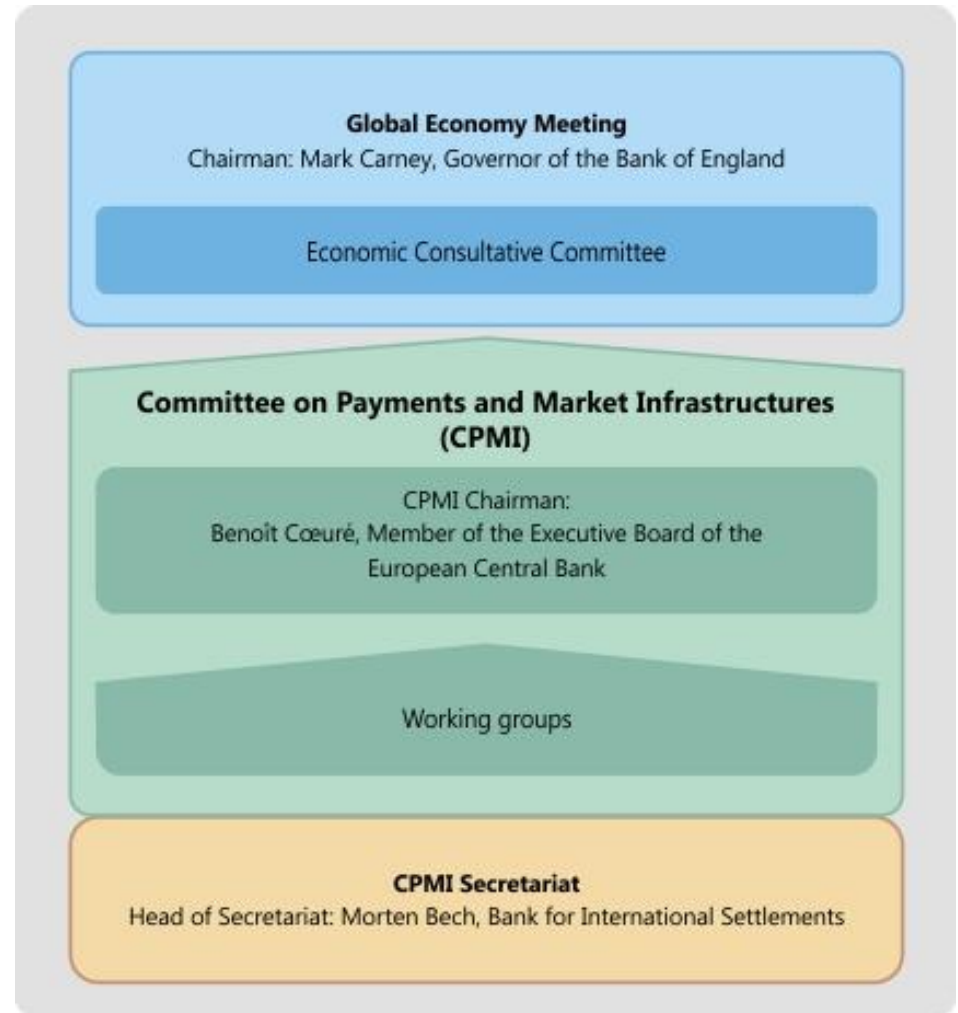


Economist. 6 July 2013



Introduction to the CPMI

CPMI is chaired by Benoît Coeuré (ECB), hosted by the BIS, based in Basel, Switzerland.



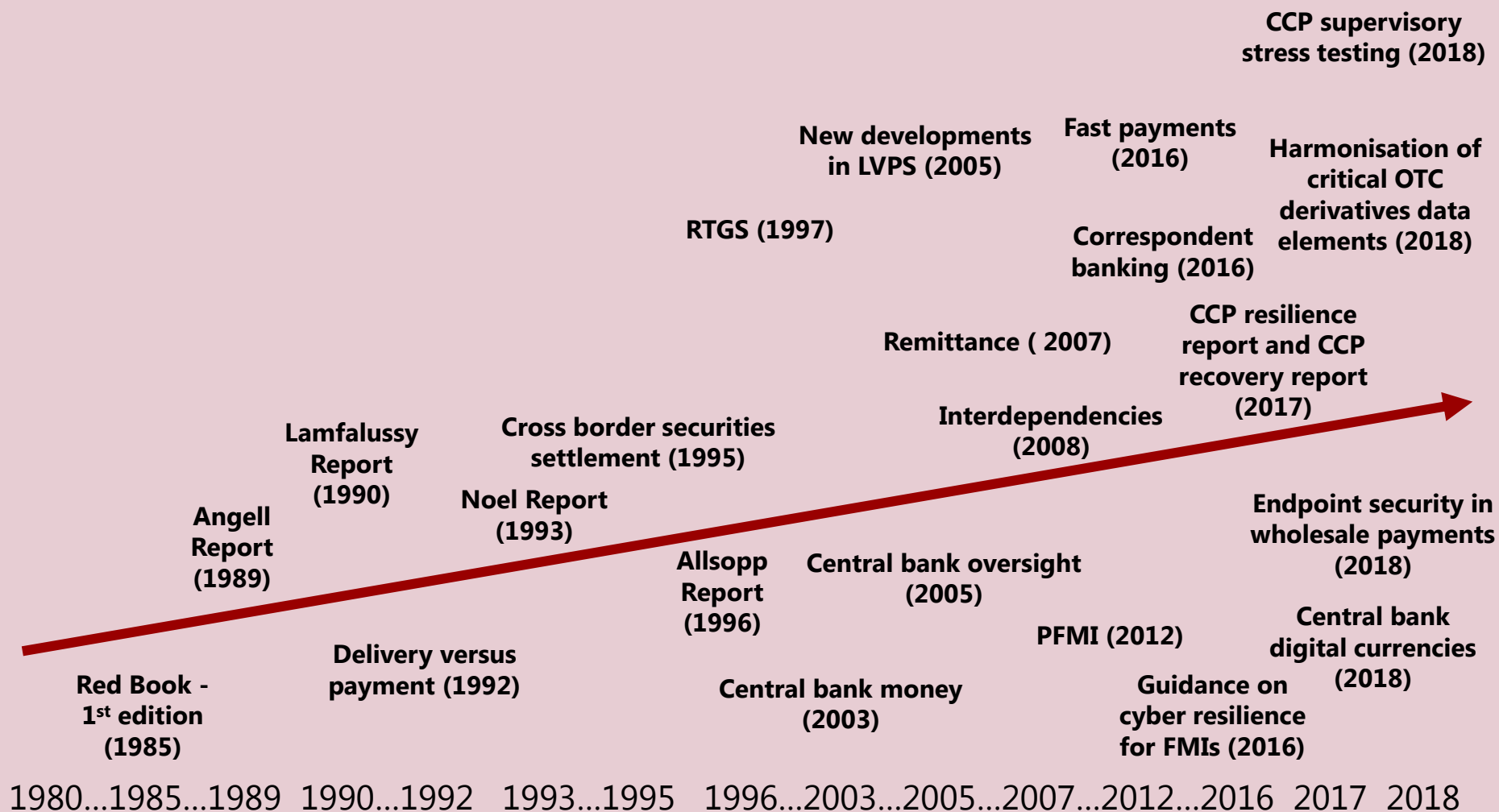
CPMI Mandates

Monitor and
analyze
developments

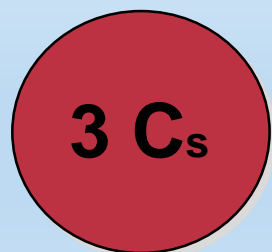
Global
standard
setter



A long history of policy analysis and standard setting



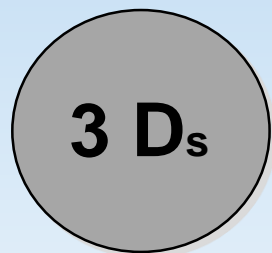
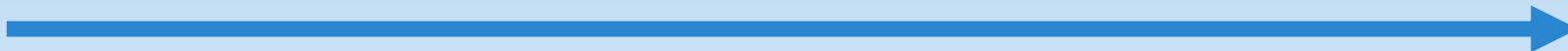
CPMI work: Key priorities and challenges



Crypto

Cyber

CCP



Digitalization

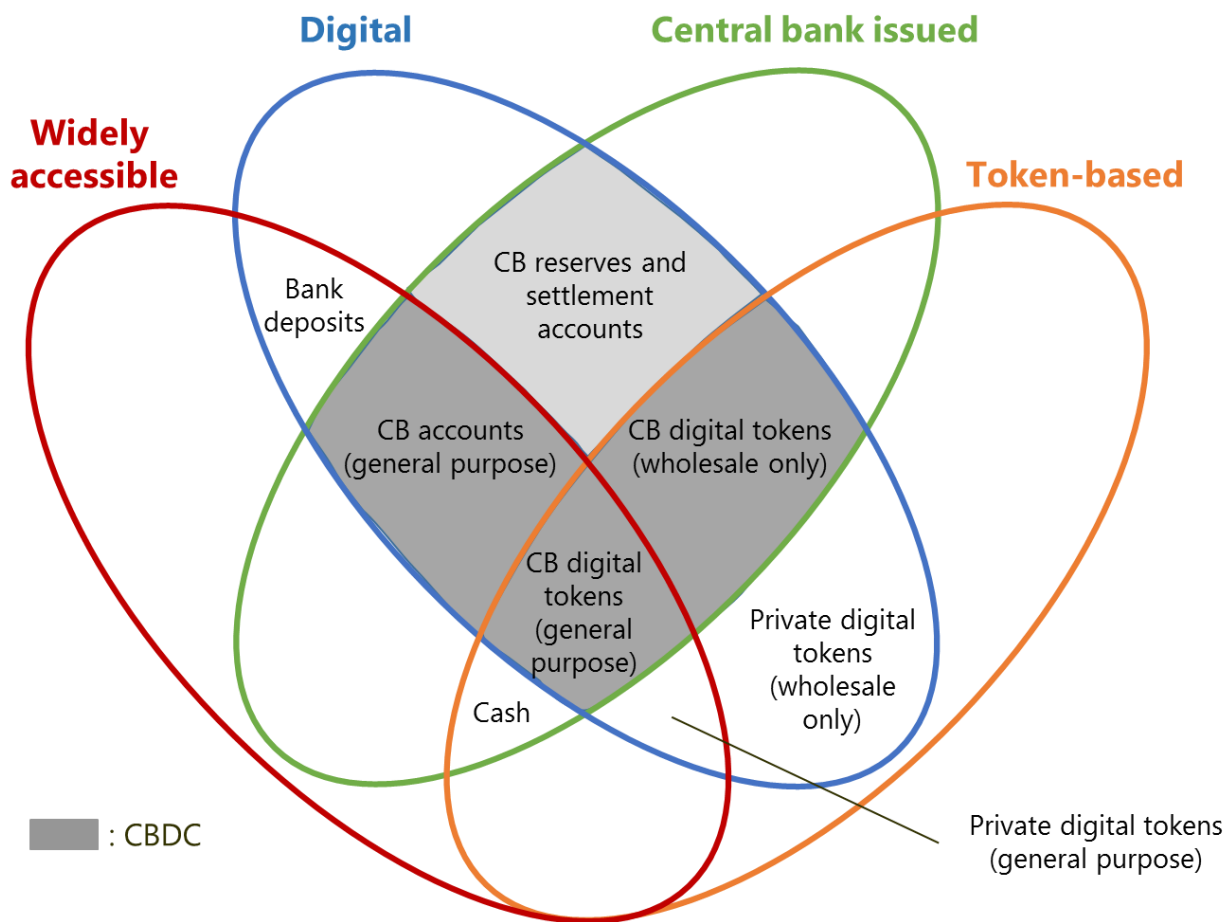
Decentralization

Disruption



1. Crypto and digital innovations

“The money flower”

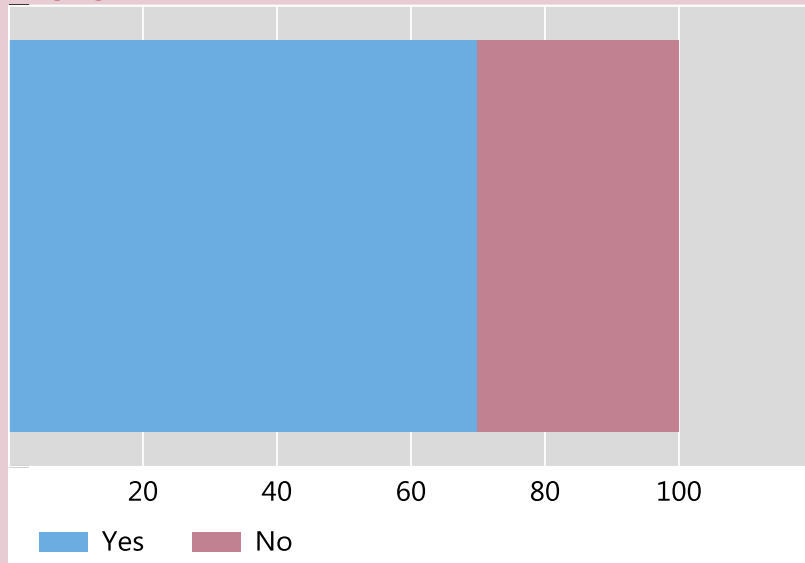


Source: Bech and Garratt, BIS Quarterly Review, September 2017, adapted by CPMI-MC report (2018).

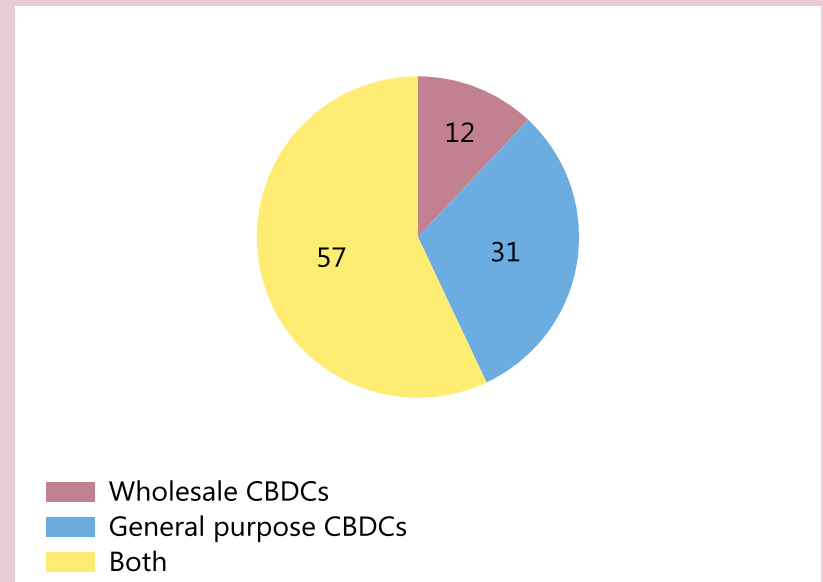
CBDC work

Share of respondents

Engagement in CBDC work



Focus of work¹



¹ Share of respondents who are conducting work on CBDC

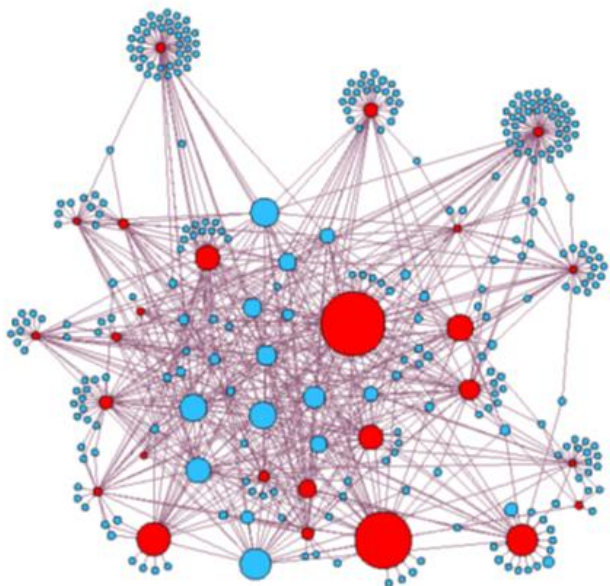
Sources: CPMI central bank survey on CBDC and digital tokens.



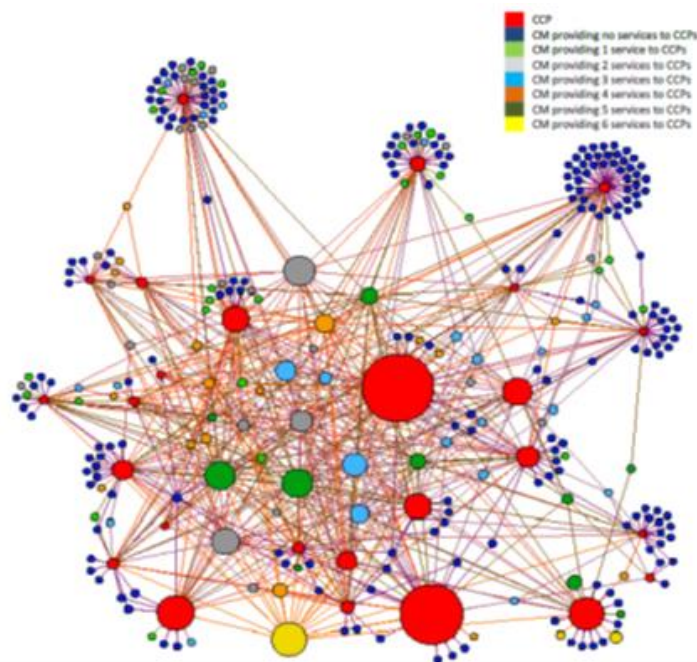
2. Central counterparty

Central clearing networks

CCP – clearing member

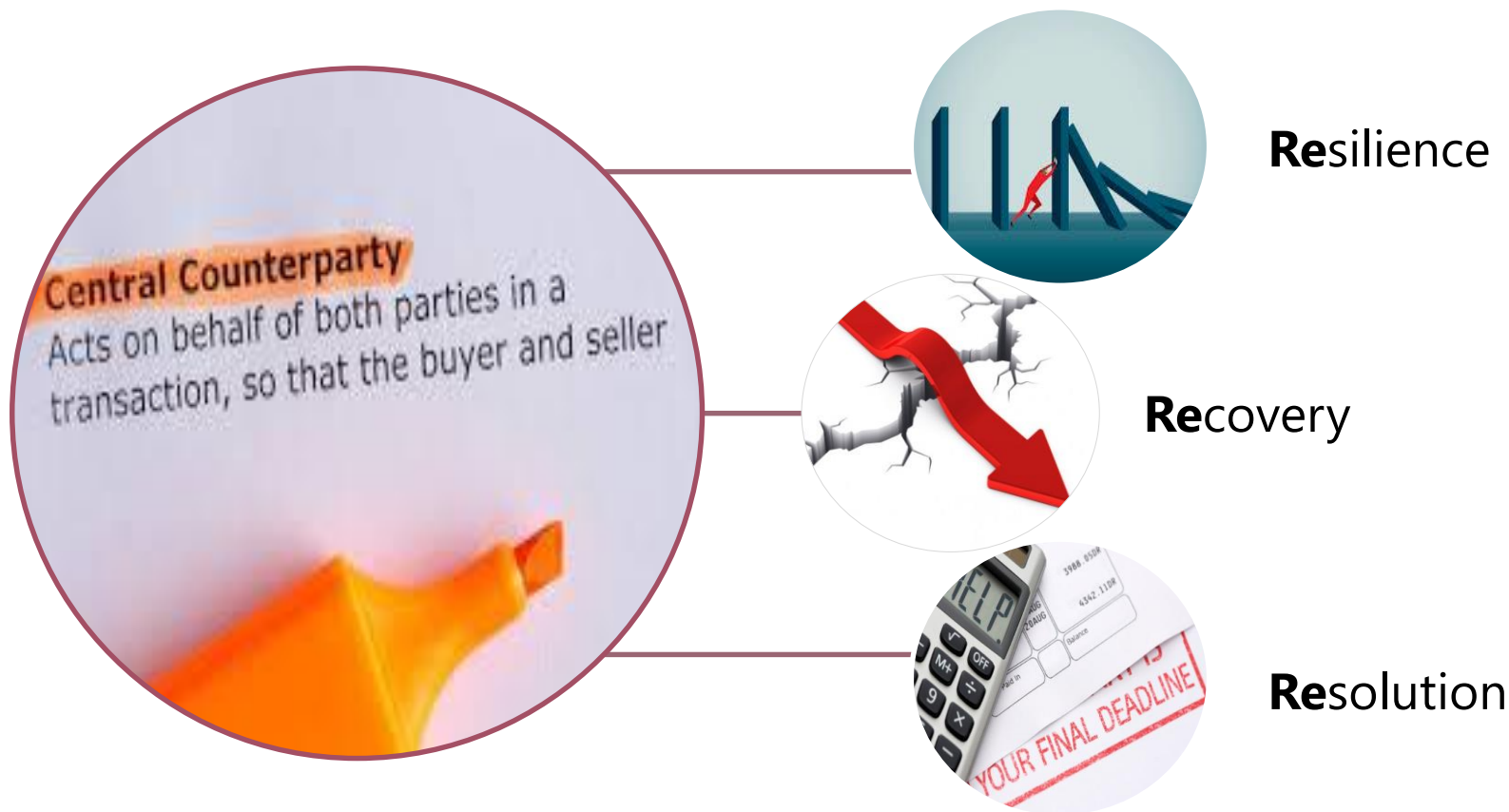


CCP – clearing members as service providers



CCP work

“Enhancing resilience, recovery and resolution of CCPs.”

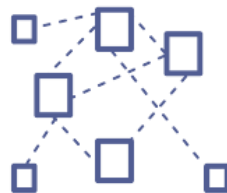


3. **C**yber resilience



Sophisticated

Cyber attacks are often difficult to identify or fully eradicate and the breadth of damage difficult to determine.



Everywhere

Cyber attacks could come through a broad range of entry points, such as participants, linked FMIs, and service providers.



Disruptive

Cyber attacks can cause significant service disruptions to the broader financial system, which may lead to a systemic risk.



Stealthy

Cyber attacks can be stealthy and spread rapidly to cause disruptions and/or infiltrate an FMI's network of systems.

Cyber risks are unique.



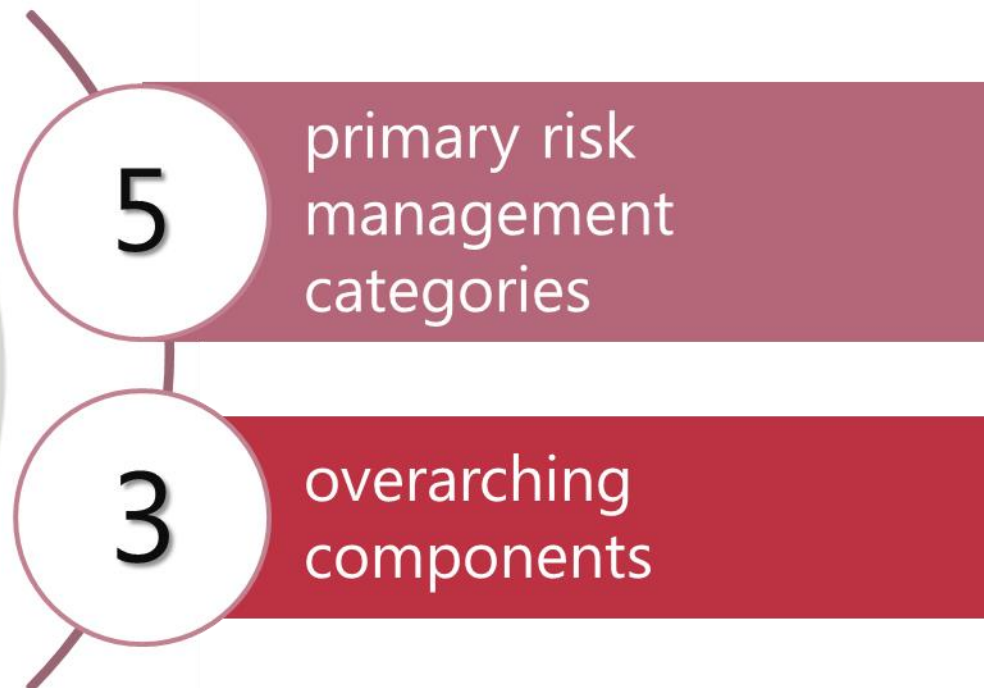
Broad strategy to deal with cyber risks



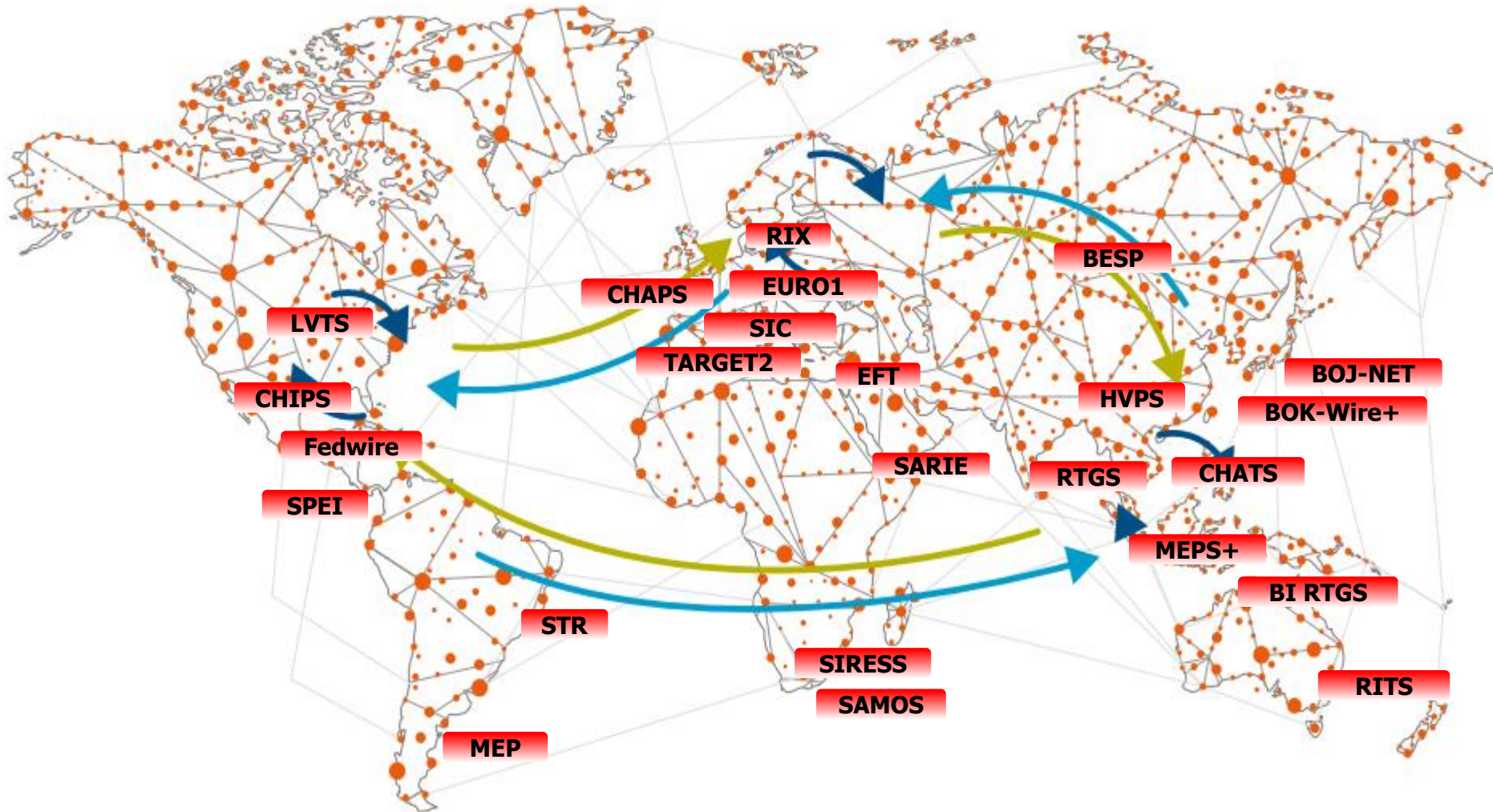
Protect the core -, 1st cyber guidance published by a financial sector international SSB.



Guidance on cyber resilience for FMIs – June 2016



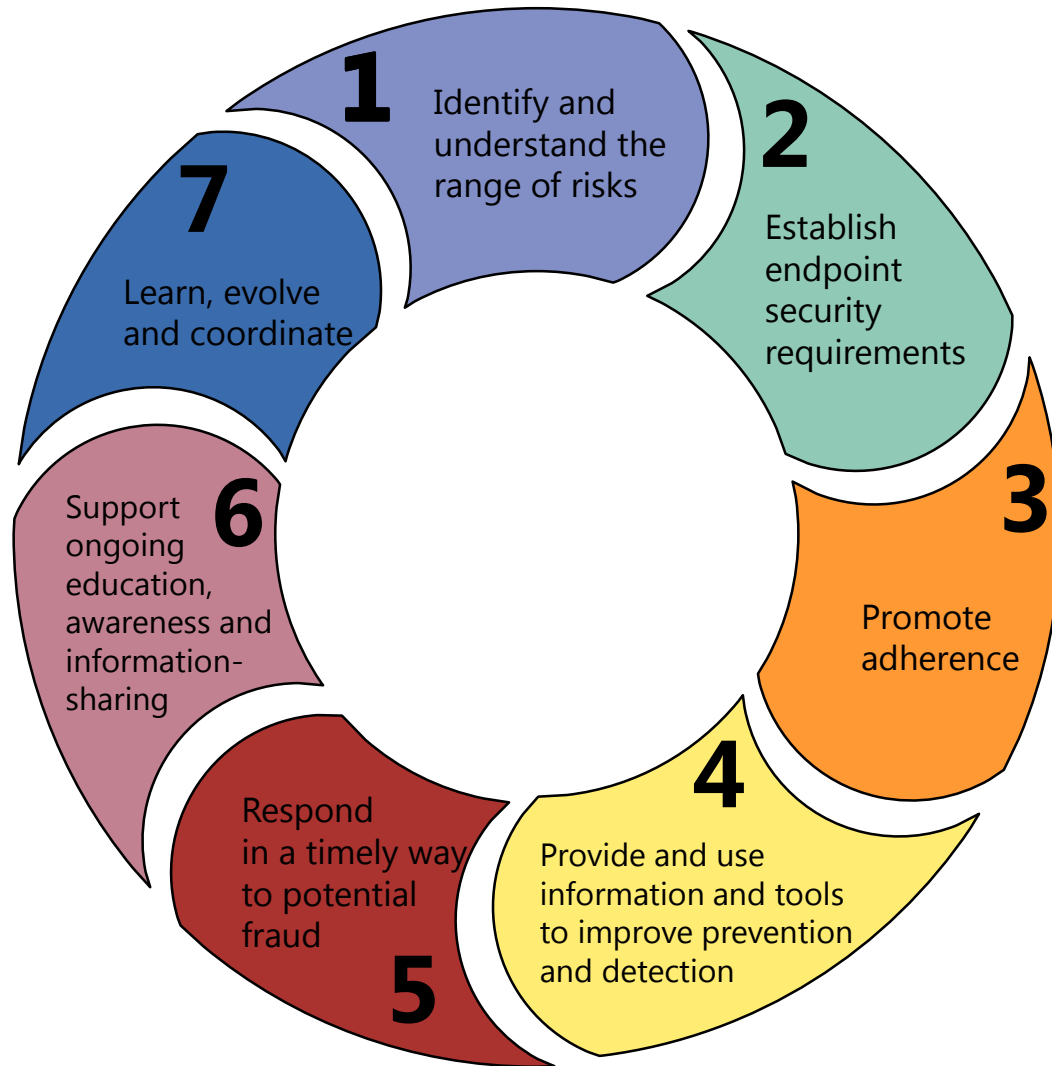
Secure the periphery - wholesale payment systems and messaging network



For illustration purposes; only some LVPS of CPMI jurisdictions are shown.



Reducing the risk of wholesale payments fraud related to endpoint security



CPMI on going work

Catalyst

Monitoring

Outreach

Information sharing

Promoting the implementation



Education

FSI Connect
Financial Stability Institute

 BANK FOR INTERNATIONAL SETTLEMENTS





Wholesale Payments Fraud – Overview

Duration: 15 minutes
Level: Fundamental

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FSI Connect
Financial Stability Institute

 BANK FOR INTERNATIONAL SETTLEMENTS



Cyber Risk – Financial Market Infrastructures: Cyber Resilience

Duration: 15 minutes
Level: Fundamental

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Collaboration is a key.



Other work

**Implementation
and evaluation**

**Data, research
and analysis**

RTGS



Annex A: Implementation monitoring at three levels

Level 1	Level 2	Level 3
Self-assessment Assesses whether a jurisdiction has completed the process of adopting the legislation and other policies that will enable it to implement the PFMI	Peer review Peer review assessing whether the content of legislation, regulations and/or policies is complete and consistent with the PFMI	Thematic peer-benchmarking Peer review that examine consistency in the outcomes of implementation of the PFMI



Annex B: Red Book is the premier source of information on global payments, clearing and settlement systems

- Provides information on payment, clearing and settlement systems in member jurisdictions of the CPMI.
- Consists of **descriptive information** and **statistics**, which, together, provide the users with a full picture of the payment landscape in all the different CPMI member jurisdictions.
- Consists of 19 country tables and 53 comparative tables.
- One of the most downloaded CPMI publications and the most frequent public enquiry topic received by the CPMI Secretariat.



Annex C: RTGS work

- CPMI is examining recent changes in RTGS systems.
 - Wider access
 - Interoperability
 - Longer operating hours





Thank you

More information at <http://www.bis.org/cpmi/>

