



**BANCO CENTRAL DO BRASIL**

**Global Payments week**

**Western Hemisphere Payments and Securities  
Settlement Forum**

**Recent developments**

October/2012

Lisbo

- Discussion on liquidity provision from BCB and resolution of FMI's
- Working group discussing needs for fulfillment of PFMI's
  - regulatory changes
  - oversight instruments
- Discussion on authority over trade repositories
- Study the adoption of IBAN for account identification for cross border usage
- Working group for mapping national message standards with ISO 20022

# Securites market

- Cooperation with securities commission
- Trade repository and securities settlement system for interbank market of bank loans
- Possibility of entering of new trading platforms and clearing and settlement systems
- Competition concerns, interoperability and access

# Securites market

- Initiative of securities commission on higher validation controls for registration of paper based assets
- Integration of equities, derivatives and forex systems and CCP
- Draft of regulation of capital requirement including exposures to CCPs
- CLS proposal
  - development of initial seminars

# OTC derivatives reform

- Peculiarity of brasilian market
  - high degree of trades on trading platforms
  - high degree of settlement through CCP
- Discussions on need for regulation
- Bilateral collateral management for OTC derivatives
- Studies for risk additional risk management tools for OTC derivatives

# Payment systems

## RTGS

- Development of intraday real time monitoring tools comparing real time data with historical patterns
- Development of an off line contingency module
- Working group mapping alternative solutions on case of a total failure
- Web based contingency platform
- Improvement of the optimization of liquidity usage
- Creation of pre scheduled transfer
- Intraday credit for non bank participants

# Payment systems and instruments

- Cheque
  - Truncation
  - obligation of banks to educate clients on the cheque usage
  - provision of information
- Payment cards
  - multi scheme payment acquirers
  - new entrants on acquiring market

# Payment systems and instruments

- Settlement of transfers above R\$ 1 million (USD 500 thousand) only on Central Bank's system
- EBPP and improvements on bills' fund transfers
- Interdepartmental working group on regulation of payment institutions
- Standardization of banking fees



# Financial System Assessment Program

- Pretest of PFMI and assessment methodology
- Conducted by the WB from November/11 to February/12
- Preliminary results
  - high compliance with international standards
  - mandatory reporting derivatives transactions
  - risks stemming from derivatives transactions are contained, as regulations are strict and risk mitigation mechanisms by the clearing houses work well
  - CB has data links with clearing houses and registrars to monitor financial system

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