

Press release

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FINMA launches consultation on partial revision of “Liquidity risks – banks” circular

In November 2019 the Federal Council decided to introduce the net stable funding ratio (NSFR) for banks. Minor adjustments to FINMA’s “Liquidity risks – banks” circular are necessary as a result of this. FINMA is conducting a consultation exercise on the adjustments up to 13 July 2020.

In November 2019 the Federal Council decided to introduce a net stable funding ratio (NSFR) for banks by mid-2021 and to make the corresponding adjustments to the Liquidity Ordinance. This also necessitates changes to FINMA’s supervisory practice as set out in Circular 2015/2 “Liquidity risks – banks”. FINMA is running a consultation exercise on this. The consultation takes into account the timetable for the adoption of the Liquidity Ordinance. In light of the current pandemic situation, FINMA is also extending the consultation period to ten weeks. It will run until 13 July 2020.

As required in the Basel III minimum standards, banks must meet stricter liquidity requirements, as well as fulfilling internationally harmonised funding requirements. The Federal Council adapted the Liquidity Ordinance in 2017 in line with these international rules, but postponed the introduction of the NSFR to a later point in time. FINMA also adjusted its “Liquidity risks – banks” circular at that time and ran a [consultation exercise](#). The present consultation therefore only concerns a number of clarifications and editing changes. The amendments are due to enter into force on 1 July 2021, subject to the Federal Council’s timetable.