



Consultation Paper 2025/02

Continuity of Access to Financial Market Infrastructure (FMI) and Liquidity & Funding in Resolution Guidance Notes

A consultation on the JRA's planned Guidance Notes for Jersey Banks in relation to Continuity of Access to FMI and Liquidity & Funding in Resolution.

Issued: 4 July 2025

Glossary of terms

Defined terms are indicated throughout this document as follows:

Bank	A person registered to carry on deposit-taking business in or from within Jersey under the Banking Law; or A company incorporated under the Companies Law that is a Holding Company or a Subsidiary of a person so registered.
Banking Code	Code of Practice for Deposit-taking Business.
Banking Law	Banking Business (Jersey) Law 1991.
Companies Law	Companies (Jersey) Law 1991.
Critical Function	Activities, services or operations the discontinuance of which is likely to lead to the disruption of services that are essential to the real economy in Jersey or the disruption of financial stability due to the size, market share, external and internal interconnectedness, complexity, or cross-border activities of a bank or bank's group, with particular regard to the substitutability of those activities, services or operations.
Holding Company	Has the meaning given by Article 2(4) of the Companies Law.
Home Resolution Authority	The resolution authority in the JIB's home jurisdiction.
Jersey Bank	A person registered to carry on deposit-taking business in or from within Jersey under the Banking Law.
Jersey Branch	The Jersey operations of an Overseas Incorporated Bank.
Jersey Incorporated Bank (JIB)	A Jersey incorporated company registered to carry on deposit-taking business under the Banking Law.
JFSC	Jersey Financial Services Commission.
JRA	Jersey Resolution Authority.
Overseas Incorporated Bank	A person not incorporated in Jersey that is registered to carry on deposit-taking business under the Banking Law.
PS2023/01	Policy Statement 2023/01 'Resolution Planning and Resolvability'.
Resolution Law	Bank (Recovery and Resolution) (Jersey) Law 2017.
Subsidiary	Shall be construed in accordance with Article 2 of the Companies Law.

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1 Executive Summary

1.1 Overview

- 1.1.1 The JRA is established as Jersey's Resolution Authority, under the Resolution Law, to minimise the impact of the failure of a Jersey Bank and to ensure public funds are protected.
- 1.1.2 On 11 August 2023, the JRA issued Policy Statement 2023/01 'Resolution Planning and Resolvability' (PS2023/01), which sets out the overriding requirements and capabilities that the JRA expects Jersey Banks to develop to demonstrate that they are resolvable.
- 1.1.3 This Consultation Paper sets out the JRA's Guidance Notes in relation to Continuity of Access to Financial Market Infrastructure (FMI) and Liquidity and Funding in Resolution. The Guidance Notes provide guidance to Jersey Banks in respect of the respective requirements set out in PS2023/01.
- 1.1.4 The Continuity of Access to FMI Guidance Note is relevant to Jersey Incorporated Banks (JIBs) and Jersey Branches that have been identified by the JRA as performing Critical Functions in Jersey.
- 1.1.5 The Liquidity and Funding in Resolution is only relevant to JIBs that have been identified as performing Critical Functions in Jersey.

1.2 Consultation

- 1.2.1 Comments are invited from interested parties on the proposals by **no later than 30 September 2025**
- 1.2.2 Comments should be sent by email to Edmore Murungu at: info@jra.org.je
- 1.2.3 Should you wish to submit comments anonymously, please provide comments via the Jersey Finance Limited (JFL). JFL will then submit your anonymised comments to the JRA. Comments should be submitted to JFL **by 30 September 2025**. The JFL contact is Timothy Hart, Consultant: timothy.hart@jerseyfinance.je
- 1.2.4 Unless otherwise requested by the respondent, we will aggregate responses and paraphrase them on an anonymised basis for the purposes of producing a Feedback Paper. If a sufficient volume of responses is received, a list of respondents will be published in an appendix to the Feedback Paper.

1.3 Next steps

- 1.3.1 We will review and consider all feedback received. Where appropriate, we will amend the Guidance Notes.
- 1.3.2 It is intended that a Feedback Paper will be issued in November 2025 along with final versions of both Guidance Notes.

2 Consultation

2.1 Basis for consultation

- 2.1.1 The JRA has produced the Guidance Notes included in Appendices B, C and D which set out our guidance in relation to Continuity of Access to FMI, the FMI Reporting Template and Liquidity and Funding in Resolution, respectively.
- 2.1.2 The Guidance Notes are not intended to impose any additional requirements on Jersey Banks over and above the requirements in the Resolution Law and PS2023/01. Rather, they provide guidance to Jersey Banks regarding the capabilities they must develop to demonstrate that they are resolvable.
- 2.1.3 We will use the Guidance Notes to assist us in determining whether associated requirements have been met as part of our resolvability assessments of Jersey Banks. Where Jersey Banks cannot demonstrate the requirements have been met, the JRA has powers under the Resolution Law to require them to implement measures to improve their resolvability.
- 2.1.4 Section 4 of this consultation paper introduces the Guidance Notes and explains how they are structured. Sections 5, 6 and 7 set out the specific consultation questions upon which we are seeking feedback.

2.2 Who will be affected by the proposals?

- 2.2.1 The proposed Continuity of Access to FMI Guidance Note and its associated reporting template will impact all Jersey Banks that perform Critical Functions in Jersey. The impact will be less for Jersey Banks that only access FMI via their group as they will simply need to identify, document, map and report critical FMI service providers. Those Jersey Banks that access directly or via third-party intermediaries will have more work to do to meet our requirements.
- 2.2.2 The Liquidity and Funding in Resolution Guidance Note will mainly impact JIBs that are performing Critical Functions in Jersey. JIBs that are part of banking groups with mature resolution capabilities will be less impacted. Within the Scope of the Liquidity and Funding in Resolution Guidance Note (section 2.1.2), we have clarified circumstances where we require critical Jersey Branches to perform some work relating to Liquidity and Funding in Resolution and that, where this is the case, we will agree this bilaterally with the Jersey Branch.
- 2.2.3 Generally, Jersey Banks that are part of groups that have already implemented resolution planning requirements will be less impacted than those that are not.

2.3 Responding to the consultation

- 2.3.1 Comments are invited from interested parties on the proposals by **no later than 30 September 2025**.
- 2.3.2 Comments should be sent by email to Edmore Murungu at: info@jra.org.je
- 2.3.3 We encourage respondents to respond to all relevant questions, however this is not mandatory.
- 2.3.4 We encourage responses on a named basis as this will enable bilateral dialogue on the feedback provided.

- 2.3.5 Should you wish to submit comments anonymously, please provide comments via JFL. JFL will then submit your anonymised comments to the JRA. Comments should be submitted to JFL **by 30 September 2025**. The JFL contact is Timothy Hart, Consultant: timothy.hart@jerseyfinance.je
- 2.3.6 Unless otherwise requested by the respondent, we will aggregate responses and paraphrase them on an anonymised basis for the purposes of producing a Feedback Paper. If a sufficient volume of responses is received, a list of respondents will be published in an appendix to the Feedback Paper.

2.4 Next steps

- 2.4.1 We will review and consider all feedback received. Where appropriate, we will amend the Guidance Notes to reflect feedback received.
- 2.4.2 It is intended that a Feedback Paper will be issued in November 2025 along with final versions of the Guidance Notes.

3 The JRA

3.1 Overview

- 3.1.1 The JRA is established under the Resolution Law to minimise the impact of a bank failure and to ensure public funds are protected.
- 3.1.2 The JRA plays a key role in upholding Jersey's status as a leading international finance centre by:
 - 3.1.2.1 reducing the risk of financial loss due to bank failure;
 - 3.1.2.2 protecting and enhancing the reputation and integrity of Jersey; and
 - 3.1.2.3 considering the best economic interests of Jersey.

3.2 Our functions

- 3.2.1 Article 7 of the Resolution Law sets out the JRA's statutory responsibilities to:
 - 3.2.1.1 make preparations to facilitate the resolution of Banks;
 - 3.2.1.2 administer the resolution of Banks;
 - 3.2.1.3 carry out such functions in relation to Bank resolution or recovery or such incidental or ancillary matters as are required or authorised by the Resolution Law or the Regulations; and
 - 3.2.1.4 carry out such other functions as are conferred on it by the Resolution Law or any other enactment.

3.3 Guiding principles

- 3.3.1 Article 8 of the Resolution Law provides that, in exercising our functions, the JRA may take into account any appropriate matter, but that we should have particular regard to:
 - 3.3.1.1 the reduction of the risk to the public of financial loss due to the financial unsoundness of a Bank;
 - 3.3.1.2 the protection and enhancement of the reputation and integrity of Jersey in commercial and financial matters; and
 - 3.3.1.3 the best economic interests of Jersey.

3.4 Resolution Objectives

- 3.4.1 Article 33 of the Resolution Law provides that, in exercising our resolution powers or applying resolution tools in respect of a Bank, we should have regard to and choose resolution tools and powers that best achieve the following resolution objectives:
 - 3.4.1.1 to ensure the continuity of banking services in Jersey and the provision of Critical Functions in Jersey;
 - 3.4.1.2 to protect and enhance the stability of the financial system in Jersey, including by preventing contagion and maintaining market discipline;
 - 3.4.1.3 to protect and enhance public confidence in the stability of the financial system in Jersey;
 - 3.4.1.4 to protect public funds, including by minimizing reliance on extraordinary public financial support;
 - 3.4.1.5 to protect eligible depositors to the extent that they have covered deposits; and
 - 3.4.1.6 to protect client assets.

4 Proposed Continuity of Access to FMI and Liquidity and Funding in Resolution Guidance Notes and the associated FMI Reporting Template.

- 4.1.1 The JRA's guidance in respect of Continuity of Access to FMI, the FMI Reporting Template and Liquidity and Funding in Resolution are set out in the appended Guidance Notes (Appendices B, C and D).
- 4.1.2 The draft Guidance Notes are the next steps of our phased rollout of Jersey's Resolution Regime, having committed to consult on these in 2025. They have been created using published source documents of other Home Resolution Authorities, primarily the Bank of England and the Single Resolution Board as well as guidance from the Financial Stability Board.

4.2 Continuity of Access to FMI Guidance Note and its associated FMI Reporting Template

- 4.2.1 The Continuity of Access to FMI Guidance Note and its associated FMI Reporting Template are structured as follows:
 - 4.2.1.1 Section 1-3 set out the background, scope, and a summary of the overriding objective of the Guidance Note.
 - 4.2.1.2 Section 4 sets out guidance applicable to Jersey Banks performing Critical Functions, which includes guidance on:
 - › identifying providers of Critical FMI Services and mapping to Critical Functions and Core Business Lines;
 - › understanding of conditions for continued access to Critical FMI Services during resolution;
 - › FMI playbooks;
 - › additional steps to enhance resolution preparedness; and
 - › the approach for Jersey Banks that access FMI services indirectly via their group.
 - 4.2.1.3 Section 5 sets out guidance for JIBs not performing Critical Functions.
 - 4.2.1.4 Section 6 provides guidance on Self-assessments.
 - 4.2.1.5 Section 7 (Appendix A: Reporting Access to FMI) provides guidance on completing the Continuity of Access to FMI Reporting Template. The FMI Reporting Template is based on relevant parts of the Single Resolution Board (SRB) Template that many banks will have been asked to complete by their group's Home Resolution Authority.

4.3 Liquidity and Funding in Resolution Guidance Note

- 4.3.1 The Liquidity and Funding in Resolution Guidance Note is structured as follows:
 - 4.3.1.1 Section 1-3 set out the background, a summary of the overriding objective and general guidance for JIBs.
 - 4.3.1.2 Section 4 sets out guidance applicable to JIBs performing Critical Functions, which includes guidance:
 - › on estimation, measurement and reporting of liquidity and funding needs in resolution;
 - › relating to developing adequate processes, methodologies, and capabilities to identify the liquidity sources that are available in resolution;
 - › relating to identification and mobilisation of collateral during and after resolution;
 - › relating to addressing potential funding and liquidity shortfalls;
 - › on governance oversight and testing of capabilities; and
 - › for JIBs that are part of banking group headquartered outside Jersey; and
 - › on the interaction between the JFSC's liquidity and recovery planning requirements and Liquidity and Funding in Resolution.
 - 4.3.1.3 Section 5 sets out guidance applicable to JIBs not performing Critical Functions.
 - 4.3.1.4 Section 6 provides guidance on Self-assessments.

5 Continuity of Access to FMI Consultation Questions

The table below sets out the questions that we are seeking feedback on and the corresponding pages of the Continuity of Access to FMI Guidance Note containing content relevant to each question.

Page	Question
7-8	Question 1: Are you comfortable with the guidance on identifying providers of Critical FMI Services and mapping to Critical Functions and Core Business Lines? If not, please explain why.
8 -9	Question 2: Are you comfortable with the guidance relating to understanding of conditions for continued access to Critical FMI Services during resolution? If not, please explain why.
9-10	Question 3: Are you comfortable with the guidance relating to FMI playbooks? If not, please explain why.
10-11	Question 4: Are you comfortable with the guidance on additional steps to enhance resolution preparedness? If not, please explain why.
11-12	Question 5: Are you comfortable with guidance for Jersey Banks that access FMI services indirectly via their group? If not, please explain why.
12	Question 6: Are you comfortable with the Continuity of Access to FMI Guidance provided in relation to JIBs not performing Critical Functions? If not, please explain why.
ALL	Question 7: If applicable, please set out any other areas relating to Continuity of Access to FMI Guidance Note that you believe require further guidance?

6 FMI Reporting Template Consultation Questions

The table below sets out the questions that we are seeking feedback the FMI Reporting Template.

Page	Question
All	Question 1: Do you agree with the JRA's approach of adopting the relevant SRB templates with minimal amendments? If not, please explain why and set out the approach you would prefer the JRA to adopt.
All	Question 2: Is there any other information you believe the JRA should add to the FMI Reporting Template?

7 Liquidity and Funding in Resolution Consultation Questions

The table below sets out the questions that we are seeking feedback on and the corresponding pages of the Liquidity and Funding in Resolution Guidance containing content relevant to each question.

Page	Question
7-11	Question 1: Are you comfortable with the Liquidity and Funding in Resolution guidance provided in relation to JIBs performing Critical Functions? If not, please explain why.
11	Question 2: Are you comfortable with the Liquidity and Funding in Resolution guidance provided for JIBs that are part of banking groups headquartered outside Jersey? If not, please explain why.
13	Question 4: Are you comfortable with the Liquidity and Funding in Resolution guidance provided in relation to JIBs not performing Critical Functions? If not, please explain why.
All	Question 5: If applicable, please set out any other areas relating to Liquidity and Funding in Resolution that you believe require further guidance?

Appendix A: List of representative bodies and other persons who have been sent this consultation.

- 1.1 All persons registered to carry on deposit-taking business in or from within Jersey under the Banking Law
- 1.2 Jersey Banker's Association
- 1.3 Jersey Financial Services Commission
- 1.4 Government of Jersey
- 1.5 Jersey Bank Depositors Compensation Board

Appendix B: Draft Continuity of Access to FMI Guidance Note

The JRA's draft Continuity of Access to FMI Guidance Note is appended as a separate document.

Appendix C: Draft Continuity of Access to FMI Reporting Template

The JRA's draft FMI Reporting Template is appended as a separate document.

Appendix D: Draft Liquidity and Funding in Resolution Guidance Note

The JRA's draft Liquidity and Funding in Resolution Guidance Note is appended as a separate document.