

**Germany: Financial Sector  
Assessment Program: Detailed  
Assessment Of Observance Of  
The CPSS-IOSCO Principles  
For Financial Market  
Infrastructures—Clearstream  
Banking AG Frankfurt**



# GERMANY

## FINANCIAL SECTOR ASSESSMENT PROGRAM

August 2022

### DETAILED ASSESSMENT OF OBSERVANCE OF THE CPSS-IOSCO PRINCIPLES FOR FINANCIAL MARKET INFRASTRUCTURES—CLEARSTREAM BANKING AG FRANKFURT

This Detailed Assessment of Observance of the CPSS-IOSCO Principles for Financial Market Infrastructures—Clearstream Banking AG Frankfurt for the Germany FSAP was prepared by a staff team of the International Monetary Fund as background documentation for the periodic consultation with the member country. It is based on the information available at the time it was completed in April 2022.

Copies of this report are available to the public from

International Monetary Fund • Publication Services

PO Box 92780 • Washington, D.C. 20090

Telephone: (202) 623-7430 • Fax: (202) 623-7201

E-mail: [publications@imf.org](mailto:publications@imf.org) Web: <http://www.imf.org>

Price: \$18.00 per printed copy

**International Monetary Fund**  
**Washington, D.C.**



INTERNATIONAL MONETARY FUND

# GERMANY

FINANCIAL SECTOR ASSESSMENT PROGRAM

July 22, 2022

## DETAILED ASSESSMENT OF OBSERVANCE

ASSESSMENT OF OBSERVANCE OF THE CPSS-IOSCO  
PRINCIPLES FOR FINANCIAL MARKET INFRASTRUCTURES

CLEARSTREAM BANKING AG FRANKFURT

Prepared By  
**Monetary and Capital  
Markets Department**

This Detailed Assessment Report was prepared in the context of an IMF Financial Sector Assessment Program (FSAP) mission in Germany during February 2022. Further information on the FSAP program can be found at

<http://www.imf.org/external/np/fsap/fssa.aspx>

# CONTENTS

Glossary	<a href="#">3</a>
<b>EXECUTIVE SUMMARY</b>	<a href="#">5</a>
<b>INTRODUCTION</b>	<a href="#">6</a>
A. Assessors and Objectives	<a href="#">6</a>
B. Scope of the Assessment	<a href="#">7</a>
C. Methodology and Information Used for the Assessment	<a href="#">7</a>
<b>OVERVIEW OF THE PAYMENT, CLEARING AND SETTLEMENT LANDSCAPE</b>	<a href="#">7</a>
A. Overview of Clearstream Banking Frankfurt	<a href="#">7</a>
B. Governance	<a href="#">12</a>
C. Regulatory, Supervisory, and Oversight Framework	<a href="#">12</a>
D. Major Reforms and Other Initiatives	<a href="#">14</a>
<b>SUMMARY ASSESSMENT</b>	<a href="#">16</a>
<b>AUTHORITIES' RESPONSE</b>	<a href="#">28</a>
<b>DETAILED ASSESSMENT OF CLEARSTREAM BANKING FRANKFURT</b>	<a href="#">29</a>
A. Detailed Assessment of Observance of Principles	<a href="#">29</a>
<b>BOX</b>	
1. Target2-Securities	<a href="#">11</a>
<b>FIGURES</b>	
1. Diagram of CBF SSSs and Connections to T2S and TARGET2	<a href="#">9</a>
2. Diagram of Platform, Exchange and Infrastructure Settlement Connections to CBF	<a href="#">10</a>
3. Ownership Structure of CBF	<a href="#">12</a>
<b>TABLES</b>	
1. Overview of CBF Transaction Value/Volume, Revenue, and Number of Participants	<a href="#">11</a>
2. Rating Summary for Principles	<a href="#">24</a>
3. Prioritized List of Recommendations for CBF	<a href="#">25</a>

## Glossary

AML/CFT	Anti-Money Laundering and Countering the Financing of Terrorism
BaFin	Federal Financial Supervisory Authority
BCM	Business Continuity Management
BCP	Business Continuity Plan
BRRD	Bank Recovery and Resolution Directive
BSI	Federal Office for Information Security
CBF	Clearstream Banking AG Frankfurt
CBL	Clearstream Banking S.A. Luxembourg
CBM	Central Bank Money
CCB	Cash Correspondent Bank
CCP	Central Counterparty
CEO	Chief Executive Officer
CH	Clearstream Holding AG
CoBM	Commercial Bank Money
CDS	Credit default swaps
CPSS	Committee on Payment and Settlement Systems
CPMI	Committee on Payments and Market Infrastructures (formerly CPSS)
CRC	Clearstream Risk Committee
CRM	Clearstream Risk Management
CRO	Chief Risk Officer
CRR	Capital Requirements Regulation
CSD	Central securities depository
CSDR	European Central Securities Depositories Regulation
DBAG	Deutsche Börse AG
DBG	Deutsche Börse Group
DBB	Deutsche Bundesbank
DC	Data Centers
DCA	Dedicated Cash Account
DVP	Delivery-versus-Payment
EBA	European Banking Authority
EC	European Commission
ECB	European Central Bank
EEA	European Economic Area
EMIR	European Market Infrastructure Regulation
ERM	Enterprise Risk Management
ESCB	European System of Central Banks
ESMA	European Securities and Markets Authority
EU	European Union
EUR	Euros
EB	Executive Board
FOP	Free of Payment

FMI	Financial Market Infrastructure
FX	Foreign exchange
GBP	Great Britain Pound
GRM	Group Risk Management
GTC	General Terms and Conditions
HQLA	High-Quality Liquid Assets
ICS	Individual Client Segregated Account
ILM	Intraday Liquidity Management
IMF	International Monetary Fund
IOSCO	International Organization of Securities Commissions
ISF	Information Security Framework
ISO	International Organization for Standardization
KPI	Key Performance Indicators
KRIs	Key Risk Indicators
KYC	Know your Customer
LST	Liquidity Stress Testing
NRA	National Resolution Authority
NTS	Night-Time Settlement
OCS	Omnibus Client Segregated Account
OpRisk	Operational Risk
OTC	Over the Counter
PFMI	Principles for Financial Market Infrastructures
QLR	Qualifying Liquid Resources
RTO	Recovery Time Objective
RTS	Real Time Settlement
RVP	Receive-versus-Payment
SMS	Security Management System