



**BANK OF ENGLAND**

# News release

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## **Federal Deposit Insurance Corporation and the Bank of England Release Joint Paper on Resolving Globally Active, Systemically Important Financial Institutions**

The Federal Deposit Insurance Corporation (FDIC) in the United States and the Bank of England in the United Kingdom have today released a joint paper outlining resolution strategies for large and complex firms.

The approach outlined in the paper is based on legal powers provided by the legislative reforms enacted since the crisis, as well as – in the case of the UK – the proposed EU draft Recovery and Resolution Directive. It is designed to ensure that sound business, including operating companies (domestic and foreign) can be kept open and operating, limiting the effect on financial stability through contagion effects and cross-border complications. This process of cross-border dialogue illustrates more broadly how resolution planning can work on a cross-border basis.

Paul Tucker, Deputy Governor for Financial Stability, Bank of England, said “The ‘too big to fail’ problem simply must be cured. We believe it can be and that this joint paper provides evidence of the serious progress that is being made.”

The joint paper can be found at:

<http://www.bankofengland.co.uk/publications/Documents/news/2012/nr156.pdf>.

### **Key Resources**

Resolving Globally Active, Systemically Important Financial Institutions (120KB)

[Joint paper between the Federal Deposit Insurance Corporation and the Bank of England](#)