

ICI Comment Letter to FSB on Third-Party Risk Management and Oversight

On August 21, 2023, ICI submitted a response to the Financial Stability Board's consultation, *Enhancing Third-Party Risk Management and Oversight*.

ICI's letter expresses general support for the overall goals and approach of the FSB's consultation and its use of a toolkit, rather than recommendations. ICI states that it would be concerned, however, if the tools in the toolkit were treated as recommendations that jurisdictions should mandate. It, therefore, requests that the FSB make clear in its final report that the toolkit is an optional reference resource that financial institutions and financial authorities may use in developing and implementing their own approaches and that the intent is not for financial authorities to require the use of any tool in the toolkit.

The letter also seeks clarification of certain provisions to ensure they are not interpreted as recommendations that regulatory authorities mandate that asset managers adopt a particular tool. The letter observes that although in many jurisdictions, financial authorities do not have direct supervisory authority over certain third-party service providers, that does not mean they should achieve this authority indirectly by prescribing certain duties for asset managers.

Read more in the [comment letter](#).
