SmartSuite

Framework / Operational Resilience / Other

Basel Committee on Banking Supervision – Principles for Operational Resilience (March 2021)

The Basel Committee's seven Principles for Operational Resilience set the international baseline for how banks deliver critical operations through disruption.

What it is

The Principles for Operational Resilience, published by the Basel Committee on Banking Supervision on 31 March 2021, set out seven principles for strengthening banks' ability to deliver critical operations through disruption. The Committee defines operational resilience as the ability of a bank to deliver critical operations through disruption, which requires it to identify and protect itself from threats and potential failures, respond and adapt to them, and recover and learn from disruptive events.

The BCBS, hosted by the Bank for International Settlements, issued the principles together with revisions to its Principles for the Sound Management of Operational Risk (PSMOR), which it first published in 2003 and revised in 2011. The principles are addressed to internationally active banks and their supervisors; member jurisdictions implement them through national rules and supervisory expectations rather than by direct legal effect.

At a glance

PUBLISHER Basel Committee on Banking Supervision (BCBS)	TYPE Guidance	VERSION March 2021
EFFECTIVE March 31, 2021	DOMAIN Operational Resilience	FAMILY Other
REGION Global (Basel Committee)	INDUSTRY Financial Services	ADOPTION MODEL Regulatory Compliance
IMPLEMENTATION COMPLEXITY High		

Source: https://www.bis.org/publications/202103-guidelines-principles-operational-resilience

Why it matters

- **An international baseline** One set of principles gives banking groups a consistent foundation across the jurisdictions in which they operate.
- **Focus on critical operations** Resilience is organized around the operations whose disruption would harm the bank, its customers, or financial stability.
- **Built on operational risk management** The principles use existing governance and operational risk functions rather than creating a parallel structure.

How SmartSuite supports BCBS Operational Resilience Principles

Principles and Critical Operations Library
Hold the seven principles, the twelve PSMOR principles, and the bank's critical operations with their tolerance for disruption in one structured record set.

Ownership, Cadence, and Accountability
Assign owners for each principle and critical operation, set review cycles, and track board approval of the resilience approach.

Evidence Collection and Audit Trail
Attach mapping outputs, continuity test results, and incident reviews with timestamps and reviewers for supervisory review.

Continuity Testing and Incident Management
Plan exercises against severe but plausible scenarios, log incidents and recovery, and record lessons learned.

Third-Party and Interconnection Mapping
Link internal functions, intra-group entities, and external providers to the critical operations they support.

Board and Supervisory Reporting
Produce dashboards and reports showing resilience status, open vulnerabilities, and remediation by principle.

Common framework mappings

EU DORA · ISO 22301 · Basel III · APRA CPS 230

Official resources

Principles for operational resilience (BIS)
The Basel Committee publication page for the March 2021 principles, with summary and download.

bis.org/publications/202103-guidelines-principles-operational-resilience

Principles for operational resilience (PDF)
The full text of the seven principles with the Committee's definition of operational resilience and explanatory paragraphs.

bis.org/publications/202103-guidelines-principles-operational-resilience.pdf

Revisions to the principles for the sound management of operational risk (BIS)
The companion March 2021 publication that revises the twelve PSMOR principles on which the resilience principles build.

bis.org/publications/202103-guidelines-revisions-principles-sound-management-operational-risk

Basel Committee on Banking Supervision
The BIS overview of the Committee, its membership, and its role as the primary global standard setter for the prudential regulation of banks.

bis.org/committees/bcbs/overview

Frequently asked questions

What are the BCBS Principles for Operational Resilience?
They are seven principles published by the Basel Committee on Banking Supervision on 31 March 2021 to strengthen banks' ability to deliver critical operations through disruption. They cover governance, operational risk management, business continuity, mapping interconnections, third-party dependencies, incident management, and ICT including cyber security. They were issued together with revisions to the Principles for the Sound Management of Operational Risk.

How does the Basel Committee define operational resilience?
The Committee defines it as the ability of a bank to deliver critical operations through disruption. That ability lets a bank identify and protect itself from threats and potential failures, respond and adapt to them, and recover and learn from disruptive events to minimize their impact. Operational resilience is treated as an outcome of effective operational risk management.

Are the principles legally binding?
No. The Basel Committee has no legal authority, and its standards and guidelines are implemented by member jurisdictions through national rules and supervisory expectations. Regimes such as PRA SS1/21, FCA SYSC 15A, and EU DORA give the same ideas legal effect. Supervisors of internationally active banks assess against the principles.

What is the relationship to the revised PSMOR?

The Principles for the Sound Management of Operational Risk, first issued in 2003 and revised in 2011 and again in March 2021, set out twelve principles for managing operational risk. The resilience principles build on them and cross-reference them, for example on change management, ICT, and business continuity. The Committee expects banks to implement both together.

What is a critical operation?

Critical operations are the activities, processes, services, and their supporting assets whose disruption would be material to the continued operation of the bank or its role in the financial system. Banks identify them, set a tolerance for disruption to each, and map the interconnections and third parties that deliver them. The concept parallels important business services in the UK regimes.

How do the principles relate to PRA SS1/21, FCA SYSC 15A, and DORA?

The UK regimes were published in the same month and apply the same concepts of critical services, tolerances for disruption, mapping, testing, and governance with legal force for UK firms. EU DORA does the same for EU financial entities with a focus on ICT risk. Banks that meet the Basel principles have most of the foundation those rules require.

How does SmartSuite support the BCBS principles?

SmartSuite records critical operations and their tolerance for disruption, maps interconnections and third parties, and manages business continuity plans, tests, and incidents. Each principle has an owner, a review cadence, and linked evidence, and dashboards show resilience status and remediation progress for the board and supervisors.

License included / downloadable: Yes The principles are published free of charge by the Bank for International Settlements, and the seven principles and the revised PSMOR are included with the platform as a requirement set.

Full framework page and mappings: smartsuite.com/frameworks/bcbs-principles-for-operational-resilience