

National Financial System (SFN)

The National Financial System (SFN) is structured in three functions: regulatory, supervisory and operational. Regulatory entities set the policies and general rules for the proper functioning of the part of the SFN under their scope. The supervisory entities work to ensure that the operators follow the regulatory bodies' rules, and may issue subsidiary regulation. The SFN's operators are intermediary institutions that provide financial services to the public and auxiliary institutions that provide services required for the SFN's activities.

Regulatory boards

The SFN's three normative boards are the National Monetary Council (CMN), the National Council of Private Insurance (CNSP) and the National Council of Complementary Pension (CNPC).

National Monetary Council and the Banco Central do Brasil (BCB)

The [National Monetary Council \(CMN\)](#) objective is to promote the economic and social progress of the country, by setting the guidelines of monetary, credit and exchange rate policies. As the coordination body for the macroeconomic policy of the federal government, the CMN sets the inflation target, the guidelines for the exchange rate policy and the general regulation for the financial activities under its scope.

Two supervisory authorities are linked to CMN: the [Banco Central do Brasil \(BCB\)](#) and the Securities and Exchange Commission (CVM). The BCB has to ensure the compliance with the CMN regulation, by conducting the monetary, credit and exchange rate policies, and monitoring and supervising financial institutions under its jurisdiction. BCB is only responsible for supervising companies and entities identified in legislation that expressly grants this authority to the Institution.

Appeals Council of the National Financial System

Appeals Council of the National Financial System (CRSFN) is a collegiate body under the Ministry of Economy that is the administrative authority of final appeal against sanctions applied by the BCB and the CVM. Additionally, the CRSFN reviews the sanctions applied in processes related to money laundering by the Council for Financial Activities Control (Coaf) and other competent authorities. [Access the CRSFN deliberations \(only in Portuguese\)](#).



English version is not available for the moment.

* There may be shared regulatory competence with the CVM, depending on its activities.

** The payment institutions are not within the SFN, but are regulated and supervised by the CMN and the Banco Central do Brasil.

Normative boards

The National Monetary Council (CMN)

The National Council of Private Insurance (CNSP)

The National Council of Complementary Pension (CNPC).

The [National Monetary Council \(CMN\)](#) is the highest normative authority of the National Financial System (SFN). Its objective is to promote the economic and social progress of the country by setting the guidelines of monetary, credit, and exchange rate policies.

As the coordination body for the macroeconomic policies of the federal government, the CMN sets the inflation target, the guidelines for the exchange rate policy, the policy to be observed in the organization and functioning of the securities market, and the overarching regulation for the financial activities under its scope.

Two financial regulatory and supervisory authorities are linked to the CMN: the [Banco Central do Brasil \(BCB\)](#) and the 'Comissão de Valores Mobiliários' (CVM) — the Brazilian Securities Commission.



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