

Press release

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Sixth meeting of the Financial Stability Board Regional Consultative Group for the Commonwealth of Independent States

Today, the Ministry of Finance of the Russian Federation hosted the sixth meeting of the Financial Stability Board (FSB) Regional Consultative Group for the Commonwealth of Independent States (RCG for the CIS) in Moscow.

Members of the FSB RCG for the CIS reviewed the FSB's workplan and policy priorities for 2017. They focused on reform-related work that remains to be completed, including implementation of elements of the Total Loss-Absorbing Capacity standard for banks and the Basel III framework, FSB proposals on addressing emerging vulnerabilities such as misconduct risk and financial risks of climate change. Members reviewed the effectiveness and the significance of monitoring of implementation and deepening of the financial regulation reforms.

Members turned their particular attention to macroprudential policy regulation. Notably, they were informed about the recently issued IMF-FSB-BIS publication entitled *Elements of Effective Macprudential Policies*¹ and discussed institutional arrangements, mandates and powers that are required for operationalisation of macroprudential frameworks. Members exchanged information on the design and implementation of macroprudential policies and associated tools.

Members considered the progress being made under the FSB's action plan to assess and address the decline in correspondent banking services, including work being done internationally to identify further the extent of the decline, its causes and effects, and the steps being taken to address the issue. In particular, the *Report on Correspondent Banking*² published by the Committee on Payment and Market Infrastructure in July 2016 and the Financial Action Task Force's recently issued guidance on the application of its standards to correspondent banking services were highlighted.³

The meeting concluded with a session on stress testing issues. There was the exchange of views on how supervisors use stress tests as part of their overall oversight of financial institutions and how firms themselves use stress testing results for risk management and strategic planning.

¹ See <http://www.fsb.org/2016/08/elements-of-effective-macroprudential-policies/>.

² See <http://www.bis.org/cpmi/publ/d147.htm>.

³ See <http://www.fatf-gafi.org/publications/fatfrecommendations/documents/correspondent-banking-services.html>.

The RCG for the CIS is co-chaired by Deputy Minister Sergey Storchak, Ministry of Finance of the Russian Federation and Deputy Governor Oleg Smolyakov, National Bank of the Republic of Kazakhstan. The membership includes financial authorities from Armenia, Belarus, Kazakhstan, Kyrgyz Republic, Russia, Tajikistan and Ukraine. Switzerland and the Eurasian Economic Commission are invited to the meetings of the RCG for the CIS as permanent observers.

Notes to editors

The FSB has six Regional Consultative Groups, established under the FSB Charter, to bring together financial authorities from FSB member and non-member countries to exchange views on vulnerabilities affecting financial systems and on initiatives to promote financial stability.^{4,5}

The FSB has been established to coordinate at the international level the work of national financial authorities and international standard setting bodies and to develop and promote the implementation of effective regulatory, supervisory and other financial sector policies in the interest of financial stability. It brings together national authorities responsible for financial stability in 24 countries and jurisdictions, international financial institutions, sector-specific international groupings of regulators and supervisors, and committees of central bank experts. Through its six Regional Consultative Groups, the FSB conducts outreach with and receives input from an additional approximately 65 jurisdictions.

The FSB is chaired by Mark Carney, Governor of the Bank of England. Its Secretariat is located in Basel, Switzerland, and hosted by the Bank for International Settlements.

For further information on the FSB, visit the FSB website, www.fsb.org/.

⁴ See <http://www.fsb.org/wp-content/uploads/FSB-Charter-with-revised-Annex-FINAL.pdf>.

⁵ The FSB Regional Consultative Groups cover the following regions: Americas, Asia, Commonwealth of Independent States, Europe, Middle East and North Africa, and Sub-Saharan Africa.