FSB FINANCIAL STABILITY BOARD

Press release

Press enquiries:
+41 61 280 8138
Joe.Perry@fsb.org

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FSB consults on framework for post-implementation evaluation of the effects of the G20 financial regulatory reforms

The Financial Stability Board (FSB) today published for consultation the main elements of a *Proposed Framework for Post-Implementation Evaluation of the Effects of the G20 Financial Regulatory Reforms*. The framework will guide analyses of whether the G20 core financial reforms are achieving their intended outcomes, and help to identify any material unintended consequences that may have to be addressed, without compromising on the objectives of the reforms.

The G20 launched a comprehensive post-crisis programme of financial reforms to increase the resilience of the global financial system, while preserving its open and integrated structure. The reforms, by making the financial system more resilient and by reducing the likelihood and severity of crises, support the G20 objective of strong, sustainable and balanced growth. The FSB has coordinated the development of these reforms and is supporting their full, timely and consistent implementation.

The FSB places great importance on implementation monitoring and the evaluation of the effects of reforms. These processes represent good regulatory practice, form part of the FSB's accountability to the G20 and the public, and inform structured policy discussions among FSB members and standard-setting bodies. To date, the FSB and standard-setting bodies have been able to monitor whether there has been full, timely and consistent implementation in more detail than they have been able to evaluate the effects of the reforms.

The FSB published in 2011 a Coordination Framework for Implementation Monitoring, and reports publicly on the extent to which FSB member jurisdictions are implementing the agreed financial reforms in a full, timely and consistent manner. Since 2015, this information has been summarised in an Annual Report to the G20 on the *Implementation and Effects of the G20 Financial Regulatory Reforms*.

With the main elements of the reforms agreed and implementation of many core reforms underway, initial analysis of the effects of these reforms is becoming possible. In order to enhance the analysis of the effects of reforms, the FSB decided in 2016 to develop a structured framework for the evaluation of effects.

The consultation paper sets out the main elements of a framework that will specify processes and suggest appropriate analytical approaches for the post-implementation evaluation of the effects of the G20 financial regulatory reforms. The framework is being developed in close collaboration with the standard-setting bodies and other stakeholders.

The evaluation process should facilitate appropriate consultation and collaboration between all bodies involved, including an expectation of appropriate public consultation on evaluations prior to their final publication so as to provide the full range of stakeholders the opportunity to comment on the individual evaluations. The analysis will be data-driven and will consider a wide range of interests.

The FSB welcomes comments and responses to the questions set out in the consultation by 11 May 2017. Responses should be sent to fsb@fsb.org with "Framework consultation response" in the e-mail subject line. Responses will be published on the FSB website unless respondents expressly request otherwise.

Following the public consultation, the framework will be published before the G20 Leaders' Summit in July. Application of the framework will begin over the coming years.

Notes to editors

For more information on the G20 financial regulatory reform agenda, see, for example, the second annual report on the *Implementation and Effects of the G20 Financial Regulatory Reforms*, as well as other FSB progress reports to the G20 available on the FSB website.

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. The FSB also conducts outreach with 65 other jurisdictions through its six regional consultative groups.

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.