FSB FINANCIAL STABILITY BOARD

# Press release

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Ref: 37/2021
1 December 2021

## FSB Sub-Saharan Africa group reviews regional vulnerabilities and policy challenges related to COVID-19

The Financial Stability Board (FSB) Regional Consultative Group (RCG) for Sub-Saharan Africa held a virtual meeting today to discuss recent global and regional macroeconomic and financial market developments and their implications for financial stability.

Members considered the lessons learned so far from the COVID-19 pandemic for their jurisdictions and policy challenges stemming from the recent crisis, including trade-offs between keeping in place measures to support the financing of the real economy and preserving policy space. The response to COVID-19 should be based on scientific evidence and the supply of vaccines should consider the needs of developing countries. Members also reviewed vulnerabilities related to foreign currency funding, as illustrated by the external funding pressures experienced by emerging market economies during the March 2020 market stress.

Members discussed potential longer-term effects of the COVID-19 pandemic, including debt overhang and corporate viability issues, and their possible impact on the financial system's resilience and ability to support economic growth.

The Group received an update on the FSB's work programme for 2022, and discussed areas of the workplan of importance for Sub-Saharan Africa, such as the work on climate risks and on cross-border payments.

### Notes to editors

The FSB RCG for Sub-Saharan Africa is co-chaired by Lesetja Kganyago, Governor, South African Reserve Bank and Ernest Addison, Governor, Bank of Ghana. Membership includes financial authorities from Angola, Botswana, Ghana, Kenya, Mauritius, Namibia, Nigeria, South Africa, Tanzania, Uganda and Zambia as well as the Central Bank of West African States (BCEAO) and the Bank of Central African States (BEAC). Permanent observers include the Committee of Central Bank Governors of the Southern African Development Community, and the East African Community.

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.[1] Typically, each Regional Consultative Group meets twice each year.

The FSB coordinates at the international level the work of national financial authorities and international standard-setting bodies and develops and promotes 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 approximately 70 other jurisdictions through its six Regional Consultative Groups.

The FSB is chaired by Randal K. Quarles, Governor, US Federal Reserve; its Vice Chair is Klaas Knot, President of De Nederlandsche Bank. The FSB 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.

[1] 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.