

## Press release

Press enquiries:  
+41 61 280 8477  
[press@fsb.org](mailto:press@fsb.org)

Ref: 28/2022  
11 October 2022

---

### FSB Chair sets out ongoing work to strengthen financial resilience amidst growing financial stability challenges

The Financial Stability Board (FSB) today published a [letter from its Chair, Klaas Knot, to G20 Finance Ministers and Central Bank Governors](#) ahead of their meeting on 12-13 October.

**The outlook for global financial stability remains challenging.** The letter notes that financial conditions have tightened further since the [July update](#), against the backdrop of higher inflation and a weakening economic outlook. The FSB continues to work closely with its members to tackle current financial stability issues, including those related to commodity markets or hidden leverage.

Complementing work on current vulnerabilities, the FSB is taking forward initiatives that deal with important structural changes affecting the financial system. In November, the FSB will report on progress in strengthening the resilience of non-bank financial intermediation. The letter summarises the reports being delivered to this meeting, which cover: crypto assets, cross-border payments, cyber risk, and climate change.

**A regulatory framework for crypto-assets:** The [FSB's recommendations published today on stablecoins and on crypto-asset activities and markets](#) mark a major step towards putting in place a [robust international framework](#) to identify, monitor and address risks posed by crypto-assets to financial stability. The recommendations promote the comprehensiveness and international consistency of regulatory and supervisory approaches. They aim to cover any type of crypto-asset activity, as well as the associated issuers and service providers – including crypto-asset trading platforms – that may pose risks to financial stability.

Crypto-assets will remain a priority topic for the FSB in 2023 and beyond, given the FSB's central role in coordinating global supervisory and regulatory policies. The letter lists areas such as on data, and further policy work on DeFi and implementation.

**Improving cross-border payments:** The report to the G20 on the [way forward for the Roadmap for Enhancing Cross-border Payments](#), published yesterday, sets out priorities for this new phase of the work, moving from stocktakes and analyses to practical projects, and proposes an intensified public-private sector collaboration to take this forward.

**Containing cyber risks:** The letter discusses the consultative report to be published on 17 October with proposals for achieving greater convergence in cyber incident reporting. The consultative document includes recommendations to address impediments to convergence,

advances work on establishing common terminologies related to cyber incidents and proposes the development of a common format for incident reporting exchange.

**Addressing climate-related financial risks:** The letter welcomes the milestone achieved in March with the publication of the International Sustainability Standards Board's (ISSB) Exposure Drafts for both sustainability- and climate-related financial disclosures. The ISSB aims to issue the final standards by early 2023.

Interoperability between the common global baseline and national and regional jurisdiction-specific requirements will be essential. This needs to be built in early on, and before frameworks are finalised and become hard to adjust.

The letter also highlights the forthcoming status report of the FSB's Task Force on Climate-related Financial Disclosures (TCFD), to be published on 13 October. The TCFD Recommendations are providing the basis for the ISSB Standards and are also referenced as the common basis in most FSB jurisdictions. The letter calls for urgent additional progress by companies in disclosing decision-useful climate-related financial information.

The FSB will publish on 13 October two reports on climate-related financial risk: on progress in achieving consistent and decision-useful disclosures; and on the FSB's recommendations on supervisory and regulatory approaches to climate-related risks, following a public consultation. The FSB's joint report with the Network for Greening the Financial System (NGFS) on lessons from use of climate scenario analyses will be published in November. These projects form part of the overall *FSB Roadmap for Addressing Climate-related Financial Risks*

## Notes to editors

The FSB published an updated assessment of risks to financial stability from crypto-assets in February 2022. The report warned that crypto-asset markets are fast evolving and could reach a point where they represent a threat to global financial stability due to their scale, structural vulnerabilities and increasing interconnectedness with the traditional financial system. In July, the FSB published a statement outlining work being undertaken by the FSB and international standard-setting bodies to address the potential financial stability risks posed by crypto-assets, including so-called stablecoins.

The FSB published the G20 Roadmap for Enhancing Cross-border Payments in October 2020. In October 2021, the FSB published the Targets for addressing the four challenges of cross-border payments: cost, speed, transparency and access. The 11 targets cover the three segments of the cross-border-payments market: wholesale cross-border payments, retail cross-border payments, and remittances.

The FSB published its Roadmap for addressing climate-related financial risks in July 2021. The Roadmap sets out a comprehensive and coordinated plan for addressing climate-related financial risks, including steps and indicative timeframes needed to do so. The Roadmap covers four areas: firm-level disclosures, data, vulnerabilities, and regulatory and supervisory practices and tools. The FSB published a progress report in July 2022.

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 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](http://www.fsb.org).