FSB FINANCIAL STABILITY BOARD

Press release

Press enquiries:
+41 76 350 8024

press@bis.org

Ref no: 65/2011

21 November 2011

Meeting of the Financial Stability Board Regional Consultative Group for Asia

In November 2010, the Financial Stability Board (FSB) announced arrangements to expand and formalise outreach beyond its membership. To this end, six regional consultative groups[1] were established 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.

Today, the Bank of Korea hosted the inaugural meeting of the FSB Regional Consultative Group for Asia in Seoul, Korea. Members discussed the FSB's workplan and policy priorities, major financial regulatory reforms and their impacts, and vulnerabilities and regional financial stability issues. Discussions on regulatory reforms and their impacts centred around the recently announced framework for systemically important financial institutions, the Basel III capital framework and shadow banking. Under the heading vulnerabilities and regional financial stability issues, members discussed the sovereign debt crisis in Europe and the risk of spillover to Asia, policy options for reducing the volatility of capital flows and the development of domestic capital markets, particularly bond markets.

The FSB Regional Consultative Group for Asia is co-chaired by Governor Choongsoo Kim, Bank of Korea and Governor Zeti Akhtar Aziz, Bank Negara Malaysia. Membership includes financial authorities from Australia, Cambodia, China, Hong Kong SAR, India, Indonesia, Japan, Korea, Malaysia, New Zealand, Pakistan, Philippines, Singapore, Sri Lanka, Thailand and Vietnam.

Notes to editors

The FSB Charter stipulates that the FSB "will consult widely amongst its Members and with other stakeholders including private sector and non-member authorities. The consultation process will include regional outreach activities to broaden the circle of countries engaged in the work to promote international financial stability".[2] At the Toronto Summit in June 2010, the G20 Leaders endorsed such a process by calling on the FSB "to expand upon and formalize its outreach activities beyond the membership of the G-20 to reflect the global nature of our financial system".[3]

---

1 Regional consultative groups were established for the following regions: Americas, Asia, Commonwealth of Independent States, Europe, Middle East and North Africa, and Sub-Saharan Africa.

2 http://www.financialstabilityboard.org/publications/r_090925d.pdf

3 http://canadainternational.gc.ca/g20/summit-sommet/2010/toronto-declaration-toronto.aspx?lang=eng

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 the six regional groups, the FSB will be able to develop global financial policy initiatives in a more inclusive process.

The FSB is chaired by Mark Carney, Governor of the Bank of Canada. 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.financialstabilityboard.org.