

Press release

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FSB Chair sets out need for full implementation of agreed reforms and the FSB's priorities for the G20 German Presidency

The Financial Stability Board (FSB) today [published a letter from Mark Carney](#), Chair of the FSB, sent to G20 Finance Ministers and Central Bank Governors ahead of their meeting in Baden-Baden from 17-18 March.

In his letter, the FSB Chair highlights the good progress made in implementing the post-crisis reforms, as a result of which the global financial system is moving from a state of fragility to greater resilience.

As implementation progresses, the FSB and the standard-setting bodies are increasingly turning to post-implementation evaluation of the effects of reforms, to address gaps and any material unintended consequences, standing ready to adjust reforms where needed, without compromising on their objectives.

With the benefits of the reforms beginning to be realised, the FSB Chair warns against the risk of a loss of momentum in completing and fully implementing essential international standards. He flags the risk that this could pose to the maintenance of an open global financial system, noting that a fragmentation of funding and liquidity markets would reduce the availability and raise the costs of finance to the real economy across all economies.

The letter outlines the FSB priorities under the German G20 Presidency which are:

- i. Transforming shadow banking into resilient market-based finance, including by addressing structural vulnerabilities in asset management;
- ii. Making derivatives markets safer by progressing the post-crisis reforms to over-the-counter derivatives markets and delivering coordinated guidance on central counterparty resilience, recovery and resolution;
- iii. Supporting full and consistent implementation of post-crisis reforms, including the development of a structured framework for post-implementation evaluation of the effects of reforms; and
- iv. Addressing new and emerging vulnerabilities, including misconduct risks, as well as those stemming from the decline in correspondent banking and from climate-related financial risks.

Notes to editors

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.