

Press release

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FSB RCG for the Americas assesses financial market developments and discusses effects of reforms, FinTech and crypto-assets

The Financial Stability Board (FSB) Regional Consultative Group (RCG) for the Americas met in the Cayman Islands today.

Members of the FSB RCG for Americas began the meeting with a discussion of global and regional macroeconomic and financial market developments. The financial system is substantially more resilient in the region as a result of regulatory reforms, with large banks less leveraged and more liquid than before the global financial crisis. Nevertheless supervisors are closely monitoring current potential vulnerabilities, including the growth of leveraged loans. More generally, the FSB will continue to monitor financial stability risks relating to high sovereign, corporate and household debt levels and to assess the resilience of evolving market structures and the impact of technological innovation.

The group received an update on the FSB's work in 2018, including reports delivered to the G20 Leaders' Summit in Buenos Aires and its future work programme. The FSB's [annual report on the implementation and effects](#) of G20 reforms reports that, 10 years after the crisis, the new regulatory framework is largely in place and implementation is well underway. However implementation is not yet complete and remains uneven. The FSB's work in 2019 and beyond will focus on (i) finalising and operationalising post-crisis reforms; (ii) monitoring the implementation and evaluating the effects of post-crisis reforms; and (iii) addressing new and emerging vulnerabilities in the financial system.

The group discussed financial sector resilience 10 years after the global financial crisis, the implementation of regulatory reforms and the remaining issues that need to be addressed in the region. They noted that many jurisdictions in the region that are not members of the Basel Committee on Banking Supervision (BCBS) had improved macroprudential frameworks and deposit insurance regimes, but that further steps are needed, including with respect to the reforms implemented by BCBS members, taking into account proportionality strategies while still achieving full implementation.

Members then discussed crypto-assets and the [FSB's assessment](#) that, while crypto-assets do not pose a material risk to global financial stability at this time, they do raise several broader policy issues in areas such as consumer and investor protection, market integrity, tax evasion and money laundering/terrorist financing.

Discussion then turned more broadly to the use of FinTech, its potential to increase financial inclusion, including through digital payments, and the regulatory and supervisory challenges FinTech poses.

The meeting ended with a discussion of infrastructure finance. A priority of the Argentine G20 Presidency has been to make infrastructure finance into a new asset class. The FSB's recently published evaluation of the effects of the reforms on infrastructure finance found that the effects of G20 financial reforms on infrastructure finance are of a second order relative to other factors.

The FSB RCG for the Americas is co-chaired by Guido Sandleris, Governor, Central Bank of Argentina and John Rolle, Governor, Central Bank of The Bahamas. Membership includes financial authorities from Argentina, Bahamas, Barbados, Bermuda, Bolivia, Brazil, British Virgin Islands, Canada, Cayman Islands, Chile, Colombia, Costa Rica, Guatemala, Honduras, Jamaica, Mexico, Panama, Paraguay, Peru, the United States of America and Uruguay.

Notes to editors

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 and Vice Chairman for Supervision, US Federal Reserve, and its Vice Chair is Klaas Knot, President, De Nederlandsche Bank. 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.

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.