

Press release

Press enquiries:
+41 61 280 8138
Joe.Perry@fsb.org

Ref no: 49/2017
12 December 2017

Seventh meeting of the Financial Stability Board Regional Consultative Group for the Commonwealth of Independent States

Today, the Ministry of Finance of the Russian Federation hosted the seventh meeting of the Financial Stability Board (FSB) Regional Consultative Group for the Commonwealth of Independent States (RCG for the CIS) in Moscow.

Meeting participants welcomed the new non-FSB co-chair of the Group, Mr Nerses Yeritsyan, Deputy Governor of the Central Bank of Armenia, and wished him much success in this role.

Members of the RCG for the CIS were informed of the main outcomes of the FSB and G20's work in 2017 and policy priorities for 2018. Following agreement on the main parameters of global financial regulatory reform agenda, the FSB is shifting its attention to monitoring of implementation of the reforms and analysis of their impact on international financial system stability. In this context, the FSB is currently evaluating the effects of the reforms on incentives to centrally clear over-the-counter derivatives and is launching a second evaluation, on the effects of the reforms on financial intermediation, with an initial focus on infrastructure investment finance.

Members expressed great interest in FinTech issues and the benefits and risks which these new technologies bring to the financial sector. Members shared the view that the main problem for regulators is how to achieve adherence to the requirements of legislation in the place of transaction, which applies in usual models of bilateral interactions between the seller and the buyer of financial service or product. Participants discussed possible regulatory approaches to digital financial technologies and products, taking into consideration FSB work currently underway in this area.

Members considered the progress being made under the 2015 FSB action plan to assess and address the decline in correspondent banking relationships, including work being done to clarify regulatory expectations in the field of Anti-Money Laundering and Combatting the Financing of Terrorism (AML/CFT). In particular, members discussed the Financial Action Task Force standards¹ and guidance on the risk-based approach in the context of correspondent banking relationships. They also considered challenges that remittances service providers encounter when trying to obtain access to banking services.

The meeting concluded with a discussion of financial ombudsmen, plans to implement such a practice within the region and, for those jurisdictions that already have a financial

¹ See <http://www.fatf-gafi.org/publications/fatfrecommendations/documents/correspondent-banking-services.html>.

ombudsman, their experiences thus far. There was a common view that a financial ombudsman can enhance the confidence of domestic investors in financial markets, by resolving individual complaints between financial businesses and their customers in a cooperative, efficient, timely and fair manner; with minimum formality and technicality; and as transparently as possible.

The RCG for the CIS is co-chaired by Deputy Minister Sergey Storchak, Ministry of Finance of the Russian Federation, and Deputy Governor Nerses Yeritsyan, Central Bank of the Republic of Armenia. The membership includes financial authorities from Armenia, Belarus, Kazakhstan, Kyrgyz Republic, Russia, Tajikistan and Ukraine. Switzerland and the Eurasian Economic Commission are invited to the meetings of the RCG for the CIS as permanent observers.

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.^{2,3}

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 its six Regional Consultative Groups, the FSB conducts outreach with and receives input from an additional approximately 65 jurisdictions.

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/.

² See http://www.fsb.org/wp-content/uploads/r_120809.pdf.

³ 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.