

Press release

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FSB Asia Group discusses vulnerabilities arising from non-bank financial intermediation and crypto-assets

The Financial Stability Board (FSB) Regional Consultative Group for Asia (RCG Asia) met today in Cebu, Philippines. Discussions centred around recent financial market developments and their impact on the region, the role of non-bank financial intermediation (NBFi) in Asia and the development of an effective global regulatory framework for crypto-assets.

Recent turmoil in the banking sector has led to a more challenging outlook for global financial stability. Members discussed the implications of these developments for financial stability in the region. Recent events have also highlighted the continuing importance of addressing vulnerabilities in the NBFi segment. Members discussed the increasing role of NBFi in the region and steps being taken to enhance the resilience of the sector.

The G20 has charged the FSB with the development of an effective and comprehensive regulatory framework for crypto-assets. Members shared experiences and developments in regulating crypto-assets, intermediaries and markets in their jurisdictions and recognised the need to mitigate the risks that may arise from them. They acknowledged the FSB's recommendations for the regulation, supervision and oversight of crypto-assets and markets and its recommendations targeted at global stablecoin arrangements.

The group also received an update on FSB work priorities for 2023, including its other deliverables to India's G20 Presidency.

Notes to editors

The FSB RCG Asia is co-chaired by Felipe M. Medalla, Governor, Bangko Sentral ng Pilipinas and M. Rajeshwar Rao, Deputy Governor, Reserve Bank of India. Membership of the RCG Asia comprises financial authorities from Australia, Brunei Darussalam, Cambodia, China, Hong Kong SAR, India, Indonesia, Japan, Korea, Malaysia, New Zealand, Pakistan, Philippines, Singapore, Sri Lanka, Thailand and Vietnam.

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.

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.

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.