

Press release

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FSB RCG for Middle East and North Africa discusses FSB work, financial stability in the region, FinTech and misconduct risks

The Financial Stability Board (FSB) Regional Consultative Group (RCG) for the Middle East and North Africa (MENA) met in Antalya today.

The RCG was updated on the FSB's ongoing work and priorities related to the international post-crisis policy reforms. For the FSB, monitoring and public reporting on member jurisdictions' implementation of agreed reforms is now a priority. Implementation has progressed in a number of areas of the G20 financial regulatory reforms to a stage where post-implementation evaluation of the effects of the reforms is becoming possible using the FSB's framework for evaluation published in July 2017.

RCG members discussed global and regional macroeconomic and financial market developments as well as their potential impact on economies in the region. The discussion covered the potential consequences for the economies in the region of recent oil price dynamics, expected spillovers from advanced economies' monetary policies and geopolitical events. The meeting further considered the financial stability implications of rising debt levels globally and concerns about the debt dynamics of corporates and sovereigns, particularly in a rising interest rate environment.

The group also discussed work on FinTech by the FSB and the Basel Committee on Banking Supervision, the extent to which FinTech is changing the landscape of financial system and implications for financial stability and banking supervision in the region. Members also discussed the FSB's stocktake on cybersecurity regulations and supervisory practices and developments on this issue in the region.

The group discussed the issue of non-performing loans (NPLs) and approaches that have been considered to value and reduce NPLs. The group also discussed the implementation of the Key Attributes for Effective Resolution Regimes in the region.

Members of the group were updated on progress in the FSB's workplan to reduce misconduct risks in the financial sector, including through measures concerning corporate governance, guidance on compensation practices, and benchmark reforms, and shared information on efforts in the region to strengthen financial market practices.

The RCG recommended no change to the member jurisdictions of the RCG for MENA as part of the broader review by the FSB of membership of its six RCGs.

The RCG for the MENA is co-chaired by Murat Çetinkaya, Governor of the Central Bank of the Republic of Turkey, and Abdulla Saoud Al-Thani, Governor of the Central Bank of Qatar. Membership includes financial and regulatory authorities from Algeria, Bahrain, Egypt, Jordan,

Kuwait, Lebanon, Morocco, Oman, Qatar, Saudi Arabia, Tunisia, Turkey and the United Arab Emirates.

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.^{1,2} Typically, each Regional Consultative Group meets twice each year.

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 at: www.fsb.org.

¹ See http://www.fsb.org/wp-content/uploads/r_120809.pdf.

² 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.