

## Press release

Press enquiries:  
+41 61 280 8001

[press@bis.org](mailto:press@bis.org)

Ref no: 35/2014  
19 June 2014

---

### **Advisory notice to financial institutions concerning Venezuela**

The Financial Stability Board is issuing today the following advisory notice to financial institutions:

"The Financial Stability Board (FSB) advises financial institutions to be aware that Venezuela has been determined by the FSB to be a non-cooperative jurisdiction with respect to regulatory and supervisory standards on international cooperation and information exchange. Financial institutions should therefore exercise appropriate caution in conducting business in Venezuela or with financial institutions supervised by the Venezuelan authorities.

On 5 April 2011, the FSB first determined Venezuela to be non-cooperative on the basis of the Venezuelan authorities' failure to enter into dialogue concerning the FSB's initiative to encourage adherence to internationally agreed standards in the areas of banking supervision, insurance supervision and securities regulation. The FSB therefore has no information from which to evaluate Venezuela's adherence to these standards. The FSB published the information that Venezuela had been determined to be non-cooperative as part of its public statement on the initiative issued on 2 November 2011. Its status as a non-cooperative jurisdiction remains unchanged in the subsequent public statements of 2 November 2012 and 19 December 2013.

Cooperation and information exchange amongst financial supervisors and regulators are essential for effective oversight in an integrated financial system. When information is lacking concerning a jurisdiction's adherence to international standards in this area then this creates doubt about authorities' ability to obtain information from Venezuela concerning financial entities established in, or financial transactions relating to, that jurisdiction. Financial institutions should take this into account in conducting business."

#### **Notes to editors**

The November 2011 public statement is available at [http://www.financialstabilityboard.org/publications/r\\_111102.pdf](http://www.financialstabilityboard.org/publications/r_111102.pdf), the November 2012 public statement is available at [http://www.financialstabilityboard.org/publications/r\\_121102a.pdf](http://www.financialstabilityboard.org/publications/r_121102a.pdf) and the December 2013 public statement is available at [http://www.financialstabilityboard.org/publications/r\\_131218.pdf](http://www.financialstabilityboard.org/publications/r_131218.pdf).

Additional information on the initiative on international cooperation and information exchange is available in the FSB press release issued when the initiative commenced in March 2010 ([http://www.financialstabilityboard.org/press/pr\\_100310.pdf](http://www.financialstabilityboard.org/press/pr_100310.pdf)), and in the April 2011 progress report on the initiative ([http://www.financialstabilityboard.org/publications/r\\_110429.pdf](http://www.financialstabilityboard.org/publications/r_110429.pdf)).

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.

Although member international bodies of the FSB, including the International Monetary Fund (IMF), World Bank and International Association of Insurance Supervisors (IAIS), support and contribute to the FSB's efforts to promote global adherence to international standards, member international bodies' legal frameworks and policies preclude their participation in decisions regarding the listing of non-cooperative jurisdictions and the adoption of negative measures that are not in accordance with those frameworks and policies.

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.financialstabilityboard.org](http://www.financialstabilityboard.org).