

Press release

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FSB RCG for the Americas discusses financial stability reforms and reductions in correspondent banking

Today, the Central Bank of Barbados hosted a meeting of the Financial Stability Board (FSB) Regional Consultative Group (RCG) for the Americas in Barbados.

At the meeting, members of the FSB RCG for the Americas were provided with an update on the FSB's work plan and priorities; namely, promoting full, consistent and timely implementation of the agreed G20 reforms; finalising the design of the remaining post-crisis reforms; and addressing new risks and vulnerabilities.. Members discussed the FSB's [Thematic Review of Supervisory Frameworks and Approaches for Systemically Important Banks](#).

Members of the RCG also considered methods to support efficient monitoring of nonbank financial intermediation, and its connection with other areas of the financial sector. They discussed the [FSB's 2015 Global Shadow Banking Monitoring Report](#) and the work being undertaken to strengthen the policy tools available to regulators addressing potential systemic risks that are associated with nonbank financial intermediation, and work within the RCG on this issue. As part of a discussion on financial stability risks the RCG considered the risks of potential market liquidity stresses, particularly those related to asset management activities. They also discussed regional vulnerabilities and financial stability issues.

Members of the RCG discussed steps taken by jurisdictions to encourage long-term investment and heard about the conclusions from Asian regulators that have been looking at this issue.

On 3 December the Central Bank of Barbados hosted a FSB, IMF and World Bank roundtable on correspondent banking to consider experiences in the Americas region with regard to the withdrawal in correspondent banking services. RCG members and industry participants exchanged views on the ongoing work coordinated by the FSB to consider this issue, including a survey published recently by the World Bank that provides data on trends in correspondent banking relationships. They also discussed the initiatives currently underway across the globe and ways to lower the risks associated with correspondent banking, including the work international standard-setters are undertaking to better measure, understand, and address this issue. In addition, they discussed steps which could be considered going forward in understanding the root causes for changes in correspondent banking relationships, and steps to be taken by local and global actors. The RCG members welcomed the FSB's four point action plan outlined in the [Report to the G20 on actions taken](#)

[to assess and address the decline in correspondent banking](#). They also agreed to the importance of continued active participation of all stakeholders to advancing this plan.

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

Notes to editors

The FSB Charter stipulates that the FSB “should consult widely amongst its Members and with other stakeholders including private sector and non-member authorities. This process shall include engaging with the FSB Regional Consultative Groups and include an outreach to countries not included in the Regional Consultative Groups”.^{1,2} The FSB established in 2011 six Regional Consultative Groups 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.

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 is able to develop global financial policy initiatives through a more inclusive process.

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.financialstabilityboard.org/wp-content/uploads/r_120809.pdf.

² The FSB regional consultative groups were established for the following regions: Americas, Asia, Commonwealth of Independent States, Europe, Middle East and North Africa, and Sub-Saharan Africa.