

## **Evaluation of effects of the financial regulatory reforms on financial intermediation, including financing for infrastructure investment**

### **Background**

The G20 launched a comprehensive programme of financial reforms post-crisis to increase the resilience of the global financial system, while preserving its open and integrated structure. With the main elements of the post-crisis reforms agreed and implementation of core reforms underway, a more systematic analysis of the effects of these reforms is becoming possible. Implementation monitoring and the evaluation of the effects of reforms represent good regulatory practice, form part of the Financial Stability Board's (FSB) accountability to the G20 and the public, and inform structured policy discussions among FSB members and standard-setting bodies (SSBs).

To that end, the FSB, in close collaboration with the SSBs, and informed by work carried out by its members and other stakeholders, has developed a [framework for the post-implementation evaluation of the effects of the G20 financial regulatory reforms](#).

The analysis of the effects of the G20 regulatory reforms on financial intermediation is being conducted under this framework. The evaluation will examine how regulatory reforms may have affected the cost and availability of financing supplied by financial intermediaries. One component of the evaluation is on financing of infrastructure investment and another one is on small and medium-sized enterprises (SME) financing. The FSB will publish a report on financing of infrastructure investment by the time of the Argentine Summit (end-November 2018) and a report on SME financing ahead of the Japanese Summit (expected by mid-year 2019).

The infrastructure work builds upon previous work and considers whether financing for infrastructure investment has potentially been affected by regulatory factors, at different stages of the infrastructure project lifecycle. The evaluation is chaired by President Klaas Knot of De Nederlandsche Bank and began in December 2017.

The evaluation will be based on qualitative and quantitative analyses. Consistent with the FSB's post-implementation evaluation framework, the analyses will consider particularly the effects of G20 financial regulatory reforms for which implementation is completed or well underway.

The reforms in scope for the quantitative and qualitative analysis would include the post-crisis G20 financial regulatory reforms fully implemented by year-end 2017. For the G20 reforms that have been implemented since 1 January 2018, qualitative analysis will form the basis, but to the extent possible, the analysis may consider quantitative analysis such as indicators and descriptive statistics. Other relevant reforms (including non G20 reforms) will be analysed only qualitatively.

To inform its qualitative analysis, the FSB is conducting a survey which seeks feedback from firms and institutions that are actively involved in infrastructure financing by providing investments and sponsorship, insurance against financial and non-financial risks and advice on transactions. **The survey aims to gather first-hand information from experienced market participants on recent and expected trends in infrastructure finance, and on the relevant drivers of these trends.** Factors of interest include both financial regulatory standards, but also other factors that are expected to have influenced the cost and availability of financing for infrastructure, such as the macro-economic environment.