

Press release

Press enquiries:
+41 61 280 8138
Joe.Perry@fsb.org

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FSB invites feedback on the effects of financial regulatory reforms on SME financing

The Financial Stability Board (FSB) is seeking feedback from stakeholders for its evaluation of the effects of financial regulatory reforms on the provision of financing to small and medium-sized enterprises (SMEs). The evaluation forms part of a broader FSB examination of the effects of post-crisis reforms on financial intermediation. More details on the evaluation and a summary of the views expressed by some stakeholders can be found in the [note with the key takeaways of a roundtable](#) held by the FSB on this topic in December 2018.

As part of this evaluation, the FSB invites feedback from stakeholders including SMEs, financial institutions and trade associations on the following issues:

1. What have been the main trends in SME financing (i.e. types of financing, volumes, prices and maturities) since the financial crisis? How do these trends differ across jurisdictions (e.g. advanced vs emerging market economies) and sectors (e.g. high-tech vs traditional firms), as well as by firm size (micro vs small vs medium-sized firms) and age (e.g. start-ups vs mature firms)?
2. What have been the main drivers of the observed trends in SME financing in recent years? How do they differ across jurisdictions, sectors, size and age of firms?
3. Have financial regulatory reforms such as Basel III affected bank financing to SMEs (e.g. in terms of loan volumes, prices, maturities and collateralisation)? If so, how? How important have been their effects vis-à-vis other types of bank lending and compared to the main drivers identified in question 2?
4. How does the impact (if any) of financial regulatory reforms vary across banks operating in different geographies and with different size and business models?
5. What other G20 financial reforms or other domestic financial regulations (if any) may have impacted financing to SMEs and how?
6. Have financial reforms prompted a shift in the provision of SME financing, e.g. between banks and other financial institutions (substitution effects)? If so, how?
7. Are there any other issues or relevant factors that should be considered as part of the evaluation?

Feedback, including evidence in support of the responses, should be submitted by 18 March 2019 to fsb@fsb.org under the subject heading "SME financing evaluation". Responses will be published on the FSB's website unless respondents expressly request otherwise. The

feedback will be considered by the FSB as it prepares the draft report, which will be issued for public consultation ahead of the June 2019 G20 Summit. The final report, reflecting the feedback from the public consultation, will be published in October 2019.

Notes to editors

Following the global financial crisis, the G20 launched a comprehensive programme of financial reforms 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 underway, an analysis of the effects of these reforms is becoming possible. To that end, the FSB published in July 2017 a [framework for the post-implementation evaluation of the effects of the G20 financial regulatory reforms](#).

One of the first two evaluations under the Framework is an examination of the effects of the G20 regulatory reforms on financial intermediation, which is chaired by Klaas Knot (President of De Nederlandsche Bank). The motivation for this evaluation stems from the need to better understand the effects of those reforms on the financing of real economic activity, and hence their contribution to the G20 objective of strong, sustainable, balanced and inclusive economic growth. The evaluation consists of two parts: the first part, [published in November 2018](#), examined the effects of reforms on the financing of infrastructure investment. The second part involves an evaluation of the effects of reforms on the financing of SMEs.

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 Randal K. Quarles, Vice Chairman for Supervision, US Federal Reserve; its Vice Chair is Klaas Knot, President, 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.