

Press release

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Ref no: 22/2005E

30 May 2005

FSF concludes first African regional meeting

The Financial Stability Forum (FSF) has just concluded its first African regional meeting in Pretoria, South Africa. Ministers, Governors and other senior representatives from finance ministries, central banks and supervisory and regulatory authorities from various countries in Africa attended the meeting, as well as members represented at the FSF.

Participants exchanged views on the strengths and vulnerabilities in the international and regional financial systems. They took note of the generally benign global economic environment and associated strengthening of many commodity prices, acknowledging the varied impact on different countries, particularly in relation to oil prices. They also recognised the uncertainties arising from global imbalances and the implications for interest and exchange rates.

Positive recent developments were noted with regard to growth and price stability in many African countries, reflecting progress in domestic structural reform and policy improvements as well as developments in the global economy. Participants discussed the general policy challenges regional authorities face given globalisation and the ongoing dynamics of the global economy, and the particular challenges regional authorities face in addressing the volatility of export earnings and growth. Securing stable external financing and maintaining financial system soundness were important concerns. They also discussed the benefits that could accrue from positive outcomes in rules for global trade.

The meeting reviewed initiatives to maintain and strengthen national financial systems. The importance of building financial stability safeguards into financial markets, while having proper regard to the broader development challenges such as the pursuit of widespread access to financial services, was recognised. Participants shared their experiences of balancing the pursuit of stability through regulatory efforts with efforts to avoid placing an unnecessary burden on the attempts of financial institutions to reach out to a wider customer base.

Participants shared the view that the work undertaken on strengthening financial systems through the assessment and implementation of codes and standards had merit. They stressed the importance of building an effective environment, including macroeconomic stability and a robust financial and legal infrastructure, in which to implement those standards. They also noted, among other things, the benefits of sharing information and expertise across countries and sectors and the need to achieve effective scale in financial systems. In this context they noted the progress made in regional initiatives to enhance co-operation between national authorities and the constructive steps made towards greater financial integration, including the creation of regional financial infrastructure.

The FSF and other meeting participants thanked the South African Reserve Bank for its hospitality in hosting the meeting.

Institutions and Groups attending the FSF Regional Meeting

Pretoria, South Africa, 29-30 May 2005

Chairman

Mr Roger W. Ferguson, Jr.

Algeria

Bank of Algeria

Botswana

Bank of Botswana

Germany

Deutsche Bundesbank

Italy

Bank of Italy

Kenya

Ministry of Finance
Central Bank of Kenya

Lesotho

Ministry of Finance &
Development Planning

Malawi

Reserve Bank of Malawi

Mauritius

Bank of Mauritius

Mozambique

Bank of Mozambique

Nigeria

Securities and Exchange
Commission

South Africa

South African Reserve Bank
Department of Finance
Financial Services Board

Tanzania

Bank of Tanzania

United Kingdom

H M Treasury
Bank of England

Zambia

Bank of Zambia

Zimbabwe

Zimbabwe Stock Exchange

Regional Financial Institutions

African Development Bank
Central Bank of West African States (BCEAO)

International Financial Institutions

International Monetary Fund
World Bank
Bank for International Settlements (BIS)
Organisation for Economic Co-operation and Development (OECD)

International Regulatory and Supervisory Groupings

International Association of Insurance Supervisors (IAIS)
International Organisation of Securities Commissions (IOSCO)
Financial Stability Institute