

Press release

Press enquiries:
Basel +41 76 350 8430

Press@bis.org

Ref no: 28/2010
23 July 2010

FSB Chairman welcomes European bank stress tests

Financial Stability Board Chairman Mario Draghi made the following statement today:

"The FSB welcomes the release today of the second EU-wide stress test results. The results provide additional clarity and transparency on the strength of the European banking sector and the 91 major banks that have participated in the exercise.

As the FSB has highlighted in the past, regulatory stress tests are a central part of the process of improving transparency about risk exposures, supporting market functioning and facilitating the repair of bank balance sheets.

By adopting a clear and thorough methodology based on severe scenarios, providing detailed bank-by-bank results and announcing, where necessary, remedial actions to strengthen the capital position of individual banks, the EU stress test exercise is an important contribution to bolstering confidence in the European banking system and strengthening the resilience and robustness of the global financial system. The FSB will continue to play its part in strengthening the system by pressing ahead with the key wider regulatory reform agenda."

Notes to editors

The results and methodology of the EU-wide stress tests, including links to the websites of national authorities that participated in the stress test exercise, can be found on the website of the Committee of European Banking Supervisors at <http://www.c-eps.org>.

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. It brings together national authorities responsible for financial stability in significant international financial centres, international financial institutions, sector-specific international groupings of regulators and supervisors, and committees of central bank experts.

The FSB is chaired by Mario Draghi, Governor of the Bank of Italy. 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.