

Press release

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Financial Stability Board reports to G20 Leaders on progress in implementing financial regulatory reforms

The Chairman of the Financial Stability Board (FSB) reported to the G20 Leaders today at the Cannes Summit on progress in the implementation of the G20 recommendations on financial regulatory reforms. Prior to the meeting the Chair set out in a [letter](#) a number of issues in this regard.

In connection with this, the FSB is also publishing today:

- [an overview report on progress](#) in the implementation of the G20 recommendations for strengthening financial stability; and
- a “[scoreboard](#)” [status report](#) prepared by the FSB Secretariat, in consultation with FSB members, that assesses the status of progress made in global policy development and implementation of financial regulatory reforms.

At the Summit, the G20 Leaders endorsed the implementation of an integrated set of policy measures from the FSB for addressing the risks associated with systemically important financial institutions (SIFIs) and the timeline for implementation of these measures. Specific measures focus on global SIFIs (G-SIFIs) to reflect the greater risks that these institutions pose to the global financial system. The FSB published the names of an initial group of 29 G-SIFIs, which will be updated annually. The SIFI policy measures are covered in a separate set of [press releases](#).

Leaders also asked the FSB in consultation with the Basel Committee for Banking Supervision to deliver a progress report by April 2012 on the definition of modalities to extend expeditiously the G-SIFI framework to domestically systemically important banks and the FSB in consultation with IOSCO to prepare methodologies to identify systemically important non-bank financial entities.

G20 Leaders endorsed the FSB initial recommendations to strengthen the regulation and oversight of the shadow banking system together, which includes a workplan to develop the recommendations during 2012. They asked the FSB to continue to report on progress towards meeting the G20 commitments on reforming OTC derivatives markets, and to carry forward work with relevant international bodies on data provision and access in respect of trade repositories for OTC derivatives. They also called on the FSB to take the lead in

helping coordinate work among the regulatory community to prepare recommendations by the next Summit for the appropriate governance framework.

The G20 Leaders also endorsed:

- the FSB's new coordination framework for implementation monitoring, in cooperation with standard-setting bodies, and including the annual publication of a summary "scoreboard" status report on progress in implementation;
- the joint FSB-IMF-BIS report on macroprudential policy tools and frameworks;
- the joint FSB-IMF-World Bank report on issues of particular interest to emerging market and developing economies; and
- the FSB report on consumer finance protection, together with high-level principles on financial consumer protection prepared by the OECD together with the FSB (asking the FSB and OECD together with other relevant bodies to report on progress on their implementation over time and develop further guidelines if appropriate).

In addition they called on the FSB to undertake ongoing monitoring and public reporting on compensation practices, and also to report to the next G20 Finance Ministers and Governors meeting on progress by standard setters and jurisdictions in applying the FSB principles for reducing reliance on external credit ratings.

Finally, to strengthen the FSB's capacity, resources and governance, G20 Leaders agreed to give it institutional standing with legal personality and greater financial autonomy, while preserving the existing and well-functioning strong links with the Bank for International Settlements.

Notes to editors

The reports are available on the FSB's website, www.financialstabilityboard.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 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 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.