FSB FINANCIAL STABILITY BOARD

Press release

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Fifth Meeting of the Financial Stability Board Regional Consultative Group for the Americas

Today, the Banco Central do Brasil (Central Bank of Brazil) hosted the fifth meeting of the Financial Stability Board (FSB) Regional Consultative Group (RCG) for the Americas in Rio de Janeiro, Brazil.

At the meeting, the members were updated on the FSB's policy priorities and work plan, including building resilient financial institutions, ending "Too-Big-To-Fail", transforming shadow banking and making derivatives markets safer. Members also discussed vulnerabilities in the global financial system and regional financial stability issues, including the potential impact for the region of possible changes in accommodative monetary policies.

Members considered current practices of internationally active banks in measuring risks at a consolidated level and their implication for the host countries. Members also reviewed the assessment of shadow banking entities and activities in the region based on the monitoring exercise conducted by the members.

Discussions on regulatory reforms focused on: i) the FSB's policy framework and progress in addressing "Too-Big-To-Fail"; ii) high-level policy recommendations on strengthening oversight and regulation of shadow banking; and iii) recent developments on cross-border cooperative issues regarding the implementation of over-the-counter (OTC) derivatives markets reforms. Brazil shared its experience in registering OTC derivatives contracts and other financial assets to trade repositories.

The fifth meeting of FSB RCG for the Americas was chaired by Alexandre Antonio Tombini, Governor of Banco Central do Brasil. Membership includes financial authorities from Argentina, Bahamas, Barbados, Bermuda, Bolivia, Brazil, British Virgin Islands, Canada, Cayman Islands, Chile, Colombia, Costa Rica, Guatemala, Jamaica, Mexico, Panama, Paraguay, Peru, Uruguay and the United States.

Notes to editors

The FSB Charter stipulates that the FSB "should consult widely amongst its Members and with other stakeholders including private sector and non-member authorities. This process shall include engaging with the FSB Regional Consultative Groups and include an outreach to countries not included in the Regional Consultative Groups".[1,2] At the Toronto Summit in June 2010, the G20 Leaders endorsed such a process by calling on the FSB "to expand upon and formalize its outreach activities beyond the membership of the G20 to reflect the global nature of our financial system".[3]

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. Through its six regional consultative groups, the FSB will be able to develop global financial policy initiatives through a more inclusive process.

The FSB is chaired by Mark Carney, Governor of the Bank of England. 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 at: www.financialstabilityboard.org.

1 http://www.financialstabilityboard.org/publications/r_120809.pdf

2 The FSB regional consultative groups were established for the following regions: Americas, Asia, Commonwealth of Independent States, Europe, Middle East and North Africa, and Sub-Saharan Africa.

3 http://epe.lac-bac.gc.ca/100/206/301/faitc-aecic/g20/2013-08-14/summit-sommet/2010/toronto-declaration-toronto1b0e.html?lang=eng