

**PRESS RELEASE ON THE FIFTH MEETING OF THE FINANCIAL STABILITY BOARD REGIONAL CONSULTATIVE GROUP FOR THE MIDDLE EAST AND NORTH AFRICA**

Today, the Bank Al-Maghrib (BAM), the central bank of Morocco, hosted the fifth meeting of the FSB Regional Consultative Group for the Middle East and North Africa (RCG-MENA) in Rabat.

Members of the RCG-MENA were updated on the FSB's policy priorities and work plan for financial regulatory reforms, which include building resilient financial institutions, ending the problem of too-big-to-fail, transforming shadow banking into a transparent and robust segment of the financial system, and making derivatives markets safer. Members discussed vulnerabilities in the global financial system and regional financial stability issues, including the potential implications for the region of the normalization of monetary policy in the advanced economies and the changes in bank-funding patterns. They took stock of the impact in the MENA region of the G-SIFI framework as well as the D-SIB frameworks, which aim at enhancing systemic resilience, and shared implementation challenges in adopting them in their respective jurisdictions. Members also discussed the progress made in creating more effective resolution regimes, which seek to address the problem of too-big-to-fail, in the region and shared country experiences. In the context of systemic risk regulation, members shared their experiences with respect to the measures for strengthening oversight and regulation of shadow banking, and the role and soundness of deposit insurance systems in the region. Members also deliberated on the current status and prospects for development of Islamic finance in the region.

The RCG-MENA is co-chaired by Erdem Başçı, Governor, Central Bank of the Republic of Turkey and Riad Salame, Governor, Central Bank of Lebanon. The current membership of the RCG-MENA includes financial and regulatory authorities from Algeria, Bahrain, Egypt, Jordan, Kuwait, Lebanon, Morocco, Oman, Qatar, Saudi Arabia, Tunisia, Turkey and the United Arab Emirates. The list of members of the RCG-MENA is accessible at: <http://www.financialstabilityboard.org/about/rcgmna.pdf>

**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”<sup>1</sup>.

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 G-20 to reflect the global nature of our financial system”<sup>2</sup>. Responding to the call, in 2011, six regional consultative groups<sup>3</sup> of the FSB were established, to bring together financial authorities from FSB member and non-member countries to exchange views on vulnerabilities affecting financial systems and on initiatives to promote financial stability.

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

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<sup>1</sup> [http://www.financialstabilityboard.org/publications/r\\_120809.pdf](http://www.financialstabilityboard.org/publications/r_120809.pdf)

<sup>2</sup> <http://epe.lac-bac.gc.ca/100/206/301/faitc-aecic/g20/2013-08-14/summit-sommet/2010/toronto-declaration-toronto1b0e.html?lang=eng>

<sup>3</sup> The FSB regional consultative groups were established for the following regions: the Americas, Asia, Commonwealth of Independent States, Europe, Middle East and North Africa, and Sub-Saharan Africa.

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 the six regional 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, [www.financialstabilityboard.org](http://www.financialstabilityboard.org).