

Press release

Press enquiries:
+41 61 280 8138
press@fsb.org

Ref: 10/2020
14 April 2020

FSB consults on regulatory, supervisory and oversight recommendations for “global stablecoin” arrangements

The Financial Stability Board (FSB) today published for consultation [10 high-level recommendations](#) to address the regulatory, supervisory and oversight challenges raised by “global stablecoin” arrangements.

Technological innovation in the financial sector continues apace and with the COVID-19 pandemic, alternatives to cash may become yet more attractive. So-called “stablecoins”, like other crypto-assets, have the potential to enhance the efficiency of the provision of financial services, but may also generate risks to financial stability. The activities associated with “global stablecoins” and the risks they may pose can span across banking, payments and securities/investment regulatory regimes both within jurisdictions and across borders. These potential risks may change over time, and so challenge the effectiveness of existing regulatory, supervisory and oversight approaches. Ensuring the appropriate regulatory approach within jurisdictions across sectors and borders will therefore be important.

The FSB’s recommendations call for regulation, supervision and oversight that is proportionate to the risks, and stress the need for flexible, efficient, inclusive, and multi-sectoral cross-border cooperation, coordination and information sharing arrangements that take into account the evolution of “global stablecoin” arrangements and the risks they may pose over time. They apply the principle of ‘same business – same risks – same rules’, independent of the underlying technology.

The report also highlights key international financial regulatory standards from the Basel Committee, the Financial Action Task Force, the Committee of Payments and Market Infrastructures and the International Organization of Securities Commissions that could apply to “global stablecoins”.

The recommendations respond to a call by the G20 to examine regulatory issues raised by “global stablecoin” arrangements and to advise on multilateral responses as appropriate, taking into account the perspective of emerging market and developing economies. They build on a comprehensive stocktake of FSB and non-FSB jurisdictions’ existing regulatory, supervisory and oversight approaches.

This consultation paper will be delivered to G20 Finance Ministers and Central Bank Governors for their virtual meeting on Wednesday this week. The public consultation period closes on Wednesday 15 July 2020. The final recommendations, taking on board feedback from the public consultation, will be published in October 2020.

Notes to editors

The FSB coordinates at the international level the work of national financial authorities and international standard-setting bodies and develops and promotes 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 also conducts outreach with approximately 70 other jurisdictions through its six Regional Consultative Groups.

The FSB is chaired by Randal K. Quarles, Vice Chairman, US Federal Reserve; its Vice Chair is Klaas Knot, President, De Nederlandsche Bank. 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.fsb.org.