

4th Joint Regional Financing Arrangements Research Seminar discusses financial sector post-COVID-19

16 December 2020

The 4th Joint Regional Financing Arrangements (RFAs) Research Seminar takes place on 16-17 December 2020 in a virtual format amidst the unprecedented circumstances. The discussions focus on emerging global and regional financial stability risks due to the pandemic, and policy options to build a more resilient, sustainable, and inclusive financial landscape in a post-COVID-19 environment.

The three co-organisers, the ASEAN+3 Macroeconomic Research Office (AMRO), the European Stability Mechanism (ESM), and the Latin American Reserve Fund (FLAR) launched this series of research seminars in 2017 in Singapore. This annual event offers the RFAs an opportunity to exchange views with each other and representatives from academia, national administrations from RFA member states, and other international financial institutions on issues relevant for RFAs operations.

“The ESM supports the value of continued cooperation of RFAs in the field of academic and policy research. This year’s seminar will allow us to better understand how the pandemic crisis and other developments are affecting the financial sector around the world. An effective and robust financial sector will be essential for supporting sustainable and inclusive economic growth once the pandemic is over,” said Klaus Regling, ESM Managing Director.

The 4th Joint RFA Research Seminar features an academic session on emerging risks to financial stability at the global and regional levels.

“The impact of the Covid-19 crisis on household, corporate and sovereign balance sheets is affecting the financial stability outlook, both globally and regionally. It is therefore essential for RFAs to continue their cooperation efforts to better understand the challenges to financial stability associated with these developments, and to identify appropriate policy responses,” said José Darío Uribe, Executive President of FLAR.

The seminar also includes a policy panel, where practitioners from the IFIs, regional, and national institutions explore challenges and opportunities for the financial sector after the crisis. The policy debate makes it clear that ‘building back better together’ will require international cooperation to face challenges like rising debt levels, climate change, and the digital transition of the financial sector. Regulatory and supervisory policies to address these vulnerabilities and reforms designed to transform the economy and stimulate growth will be indispensable in paving the way for financial stability post-COVID-19.

“As the global economy and financial system become more interconnected, disruptions to supply chains and greater risks of financial spillovers and contagion caused by the COVID-19 pandemic have highlighted the importance of strengthening regional buffers and international cooperation against macro-financial shocks. During this period of heightened uncertainty, the timely exchange of information among the RFAs is even more meaningful as we collaborate to steer our economies toward stabilization and sustainable growth,” said Toshinori Doi, Director of AMRO.

Apart from this annual technical-level seminar, the heads of RFAs and representatives of the IMF meet once a year at the High-level RFA policy dialogue to discuss the collaboration between the IMF and RFAs and among RFAs themselves. The [5th RFA High-Level Dialogue](#) was held virtually on 13 October 2020.



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