

Financial Stability Institute



# Supervisory challenges and priorities in a post-pandemic world

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*\*views expressed in this presentation are my own and do not necessarily reflect those of the BIS*

# Covid-19 - Immediate Challenges & Supervisory Responses

Heightened credit, market, liquidity, counterparty & operational risks

## Credit quality

Closely monitoring  
NPLs & Provisioning

Conducting  
stress-tests

Reviewing safety-  
net arrangements

## Operational Resilience

Adjusting supervisory  
approaches

Scaling up  
operational resilience  
oversight

Paying special  
attention to third-  
party providers

## Financial Crime

AML – using flexibility  
in framework

Cyber- enhancing  
response & recovery

Expanding public &  
private partnerships

# Covid-19 – Structural Developments & Supervisory Priorities

## Banking Industry

Profitability



Digitalisation



Sustainability



**Expansion of digital players & fintech activities**



**Wider use of enabling technologies**



**Strategic role of policy enablers**

### Main benefits

- Greater client convenience
- Lower costs
- Increasing agility & productivity
- Financial inclusion

### Key challenges

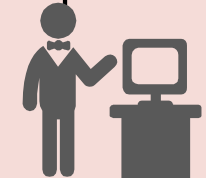
- Technology & security risks
- Concentration risk
- Consumer protection
- Sustainability of business models

## Supervisory Authorities

Reviewing Approaches



Investing in Suptech



Enhancing Skills

