

The Central Bank of Kuwait invited to become a member of the Bank of International Settlements

The Central Bank of Kuwait received an invitation today to become a member of the Bank of International Settlements (BIS). In a statement, His Excellency the Governor of the Central Bank of Kuwait Dr. Mohammad Y. Al-Hashel said, "We are very pleased with this announcement and the Central Bank of Kuwait has accepted the invitation and aims to become an effective member of this prestigious organization. The BIS underscores international cooperation between central banks and financial authorities around the world and works towards collectively pursuing global monetary and financial stability."

Jens Weidmann, Chair of the BIS Board, welcomed the expansion and said: "Reviewing membership at regular intervals ensures that the membership base remains in keeping with the Bank's global profile and its mandate to promote global monetary and financial stability."

This is the first such expansion since 2011 and will take the number of members to 63. BIS members, a group of prime central banks and monetary authorities, lead global financial policymaking and set global regulatory and supervision standards for banks in order to achieve global financial stability.

The BIS is currently owned by member central banks, it strives to promote international cooperation, conducts economic research and analysis on policy issues, and provides banking services to the central bank community. The BIS head office is in Basel, Switzerland, and it has a representative office in both Hong Kong and Mexico City.

Established in 1930, BIS members include both advanced and developed economies that represent around 30% of countries from around the world but together account for approximately 95% of the world's GDP. Members include the Board of Governors of the Federal Reserve System (United States), People's Bank of China, Bank of Japan, Deutsche Bundesbank (Germany), Reserve Bank of India and Bank of England, the aforementioned, alone, account for more than half of global GDP. Notably, Members of the BIS have equal rights of voting and representation at General Meetings.

The Basel Committee on Banking Committee, an arm of the BIS, is focused on the elopement of global regulatory standards for banks and seeks to strengthen micro and macro prudential supervision.

With 90 years of history, the Bank for International Settlements is the oldest international financial institution. At its inception, it was initially tasked to settle reparation payments imposed on Germany following the First World War. Soon after its creation, and as a

consequence of the Great Depression, the BIS focused its activities on the technical cooperation between central banks and on providing a forum for regular meetings of central bank governors and officials. In the late 1930s, international cooperation became difficult due to growing political and military tensions. During this period, the BIS was instrumental in shipping gold from Europe to the safety of New York, mostly on behalf of European central banks.

In the aftermath of World War II, European countries turned to the BIS to act as the technical agent for creating a European Payments Union. Further rethinking of the global financial architecture resulted in creation of the Financial Stability Board to coordinate the work of national financial authorities and international standard-setting bodies. Today, the BIS has played a number of key roles in the global economy including serving central banks in their pursuit of monetary and financial stability.

14/1/2020