

April 8, 2020
Financial Services Agency
Bank of Japan

Twelfth Meeting of the "Council for Cooperation on Financial Stability"

On April 8, 2020, the Financial Services Agency (FSA) and the Bank of Japan (BOJ) held the twelfth meeting of the "Council for Cooperation on Financial Stability" in a conference call to exchange views on the current situation of the financial system and the market among senior officials, including the Commissioner of the FSA and the Deputy Governor of the BOJ.

The FSA and the BOJ exchanged views on the current financial and capital markets in which the novel coronavirus (COVID-19) has been magnifying its impact and on the initiatives of the Japanese government and the BOJ regarding financial assistance provided by private financial institutions to businesses. The FSA and the BOJ has confirmed that the Japanese financial system has been maintaining stability on the whole, and that it is important for financial institutions to perform effective financial intermediation.

In addition, the FSA and the BOJ agreed that they would develop necessary procedures toward temporary exemption of the outstanding balance of financial institutions' current accounts at the BOJ from the leverage ratio exposure measure in order to facilitate the implementation of monetary policy.

Under the current difficult circumstances that have led the Japanese government to declare a state of emergency, the FSA and the BOJ will continue to work together, sharing information closely, so that the financial system will fully perform and support the real economy.