

## FSC CHAIRMAN ATTENDS FSB PLENARY MEETING AND DISCUSSES IMPORTANCE OF DEBT CONTROL MEASURES

FSC Chairman Koh Seungbeom attended the Financial Stability Board Plenary meeting held on November 18 and discussed the importance of managing rising debt levels around the world. The FSB Plenary discussed financial stability outlook, scarring effects from COVID-19, issues affecting Emerging Markets and Developing Economies (EMDEs), implementation of resolution reforms and the FSB work program for 2022.<sup>1</sup>

Attending virtually via teleconference, Chairman Koh said that excessive debt accumulations had been problematic in the past, leading to the Asian financial crisis in 1997-1998 and the global financial crisis in 2008. In this regard, Chairman Koh raised concerns about an accumulation of financial imbalances caused by excessive debt and rising asset prices. To ensure stability in the financial system, Chairman Koh stressed the importance of managing household debt growth.

Chairman Koh also spoke about increased levels of interconnectedness in financial sectors which raise concerns about the possibility of contagion effect in crisis situations between sectors and across different countries. To help address this problem, Chairman Koh said that international cooperation between regulatory authorities should be strengthened around the FSB.

# # #

For press inquiry, please contact Foreign Media Relations at [fsc\\_media@korea.kr](mailto:fsc_media@korea.kr).

---

<sup>1</sup> For details about FSB Plenary meeting, please see FSB's [press release](#).