



CENTRAL BANK of SOLOMON ISLANDS
P.O. BOX 634, Honiara, Solomon Islands

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Financial Stability Report 2016 Published

(Honiara 23.08.17) - The Governor of the Central Bank is pleased to announce the release of the first edition of the Financial Stability Report (FSR) for December 2016.

The FRS provides readers and policymakers in Solomon Islands insights to key risks undermining stability of Solomon Islands financial sector and prudential actions that CBSI took across 2016 to minimize the impact of such risks on Solomon Islands financial infrastructure and system. The report also provides commentaries on issues that undermine or likely to potentially undermine Solomon Islands banking, insurance, superannuation, and credit union sectors. The report ends by encouraging policymakers to take decisive actions to bring to conclusion a number of outstanding financial sector regulatory reforms by stressing that failure to bring such reforms to appropriate conclusion will drive cliff-edge risk to Solomon Islands financial sector over the medium-term. Overall, the FRS will give readers the opportunity to understand both international and domestic financial developments and challenges and risks faced by the financial institutions within the Solomon Islands financial system.

As one of the objectives of CBSI under section 8(2) is to foster and maintain a financial stable system, the FSR also presents CBSI's assessment of the resilience of the Solomon Islands financial system in terms of risks that Solomon Islands financial system face and if not managed adequately may affect financial interests of depositors, policyholders and financial members.

Under section 31(4) of the CBSI Act, CBSI is required to publish a report as such to inform the public about issues affecting the financial sector.

The report is prepared by the Financial Market Supervision Department and is published half yearly.

The public can access copy of the report from the CBSI website.

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