

Ayman M Al-Sayari: Speech - International Financial Architecture (IFA) Session

Speech by His Excellency Mr Ayman Al-Sayari, Governor of the Saudi Central Bank, at the International Financial Architecture (IFA) Session during the 4th G20 Finance Ministers and Central Bank Governors (FMCBGs) Meeting, Washington DC, 15 October 2025.

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Our discussions today come at an important time for the global economy. Rising debt vulnerabilities, volatile capital flows, and the growing role of the non-bank financial intermediaries are reshaping how we think about financial stability and sustainable development.

Currently, global debt stands at historic highs, reflecting years of overlapping shocks, elevated interest rates, and tightening fiscal space. For many low-income and vulnerable economies, rising financing costs and limited fiscal capacity are straining budgets, crowding out social investment, and stifling growth.

Yet when managed prudently, debt is not a burden; it can finance infrastructure, education, and digital networks that create opportunity. The challenge is not debt itself, but how it is governed and deployed.

Ultimately, debt policy is not only financial, it is moral. At its heart lies fairness across generations. Borrowing should build the future, not mortgage it. When debt finances human capital and transformation, it multiplies opportunity; when it sustains inefficiency, it deepens inequality. Today, 3.4 billion people live in countries that spend more on interest payments than on health or education, a human, not only fiscal, suffering.

However, debt challenges cannot be addressed in isolation. It is closely linked to the resilience of capital flows, which remain a lifeline for emerging market economies. The G20 plays a critical role in strengthening the resilience of capital flows—an issue of particular importance for emerging market economies. Yet, as global markets evolve, our existing safeguards must evolve with them.

A resilient financial system, however, depends on understanding where new risks are emerging. NBFIs are now central to global finance, but their growing importance also brings systemic risks. Unchecked vulnerabilities can amplify shocks and undermine stability.

We have a solid foundation through bank regulation, IMF reserve guidance, and FSB work on non-bank financial intermediation. But these frameworks were not designed for the scale and cross-border complexity of today's non-bank sector.

Our priority must be to close key data gaps—especially high-frequency positions by instrument and currency—and build an integrated exposure map that captures balance-sheet, off-balance-sheet, and derivatives data.

The G20 should therefore lead in advancing transparency, strengthening surveillance, and ensuring that global financial resilience evolves in step with today's markets.

Thank you.