

Ayman M Al-Sayari: Speech - Financial Sector Issues (FSI) Session

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

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We acknowledge the progress made globally in implementing the crypto assets and global stable coins regulatory frameworks; however, uneven implementation of the FSB recommendations continues to pose regulatory and financial stability challenges, particularly through cross-border spillovers and potential arbitrage.

From our perspective, it is essential that the near-term evolution of such instruments be guided by consistent adherence to global standards to mitigate fragmentation, safeguard market integrity, and strengthen confidence in the regulatory environment.

Finance ministers and central bank governors today should collectively emphasize the importance of sequencing innovation with regulation, ensuring that market developments do not outpace supervisory readiness.

I know it's challenging in practice, but nonetheless, I think it's important to mention, and the near-term efforts should focus on cross-border supervisory cooperation, information sharing, and alignment of prudential and conduct standards, particularly for EMDEs, through existing international platforms.

These efforts are vital to safeguard monetary and financial stability while supporting responsible innovation.

We commend the BIS, FSB, and World Bank Group for their comprehensive work on the AI reports.

The rapid integration of AI across financial systems underscores the need for strong governance, transparency, and accountability frameworks to mitigate systemic operational risk. Also, the concentration of AI service providers amplifies systemic risk as operational disruption and cyber-attacks at key modern providers can propagate through the financial system and become a systemic financial shock.

Finally, from a policy standpoint, jurisdictions may wish to focus first on data integrity, model explainability, and ethical use principles, which are foundational to building trust in AI-enabled decision-making.

Thank you.