

Post-RCAP follow-up report: Japan

Reference RCAP report: Assessment of Basel III capital regulations in Japan, October 2012

This follow-up report provides an overview of where the jurisdiction has taken, or plans to take, further actions to address findings raised in the RCAP assessment report. The report is based on self-reporting and the reported actions have not been reviewed by the Basel Committee.

Part A¹

Post-RCAP follow up: Changes applied to local regulations of the Basel Framework relating to risk-based capital standards (RCAP-Capital)

(1) Issue and/or relevant Basel paragraph number(s)	(2) Detailed description of finding (please indicate as precisely as possible the finding as identified in the relevant RCAP assessment report)	(3) Detailed reference to the domestic legislation/regulation that addresses the finding	(4) Summary description of amendment or rectification made
Minimum requirements to ensure loss absorbency at the point of non-viability (Press Release; 13 January 2011)	Rule not yet implemented	Basel 3 Q&A (Article 6 –Q9) http://www.fsa.go.jp/policy/basel_ii/zikoshihon-hiritsu.pdf (P.14, Japanese only)	Based upon revised "Deposit Insurance Act" (June 2013), JFSA revised Q&A (March 2014) that relates the PON to the decision by Prime Minister that a FG/bank is not viable. This is a kind of contractual Bail-in scheme.

¹ To be completed only for those findings where action has been initiated/taken. Any plans for addressing other findings may be indicated in Part B.

Part B

Draft regulations for capital conservation buffer, counter-cyclical buffer and G/D-SIBs buffer will be published for consultation and the final rules will be published in 2015.