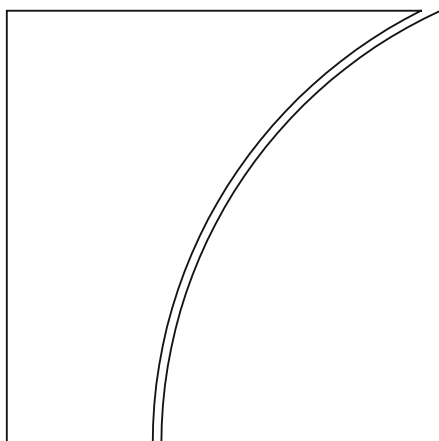


# Basel Committee on Banking Supervision



## **Eighth progress report on adoption of the Basel regulatory framework**

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# Progress report on adoption of the Basel regulatory framework

## Introduction

This report sets out the adoption status of Basel II, Basel 2.5 and Basel III regulations for each Basel Committee member jurisdiction as of end-March 2015. It updates the Committee's previous progress reports, which have been published on a semi-annual basis since October 2011.<sup>1</sup>

In 2012, the Basel Committee started the Regulatory Consistency Assessment Programme (RCAP) to monitor progress in introducing regulations, assess their consistency and analyse regulatory outcomes.<sup>2</sup> As part of this programme, the Committee periodically monitors the adoption status of the risk-based capital requirements (since October 2011) and (since October 2013) the requirements for global and domestic systemically important banks, the liquidity coverage ratio (LCR) and the leverage ratio.<sup>3</sup>

Regarding the *consistency of regulatory implementation*, the Committee has published its assessment reports on 19 members, including nine members of the European Union (Australia, Brazil, Canada, China, European Union, Hong Kong SAR, Japan, Mexico, Singapore, Switzerland and United States of America) regarding their implementation of Basel III risk-based capital regulations, which are available on its website. This includes all members who are home jurisdictions of global systemically important banks (G-SIBs). The Committee has also published its assessment reports on the domestic adoption of the Basel LCR standards in Hong Kong SAR and Mexico in March 2015. The assessments of India, Saudi Arabia and South Africa have begun, and include consistency of implementation of both risk-based capital standards and the Basel III LCR standards. By September 2016, the Committee aims to have assessed the consistency of risk-based capital standards of all 27 member jurisdictions.

Regarding the analysis of *consistency of regulatory outcomes*, the Committee is conducting additional analytical work on risk-weighted asset (RWA) variation in the banking and trading books, which is envisaged to be published during the second quarter of 2015. In addition, measures to address excessive variation are under development, and the Basel Committee expects to publish its progress later this year. The Committee is also considering a proposal for ongoing monitoring of RWA variation from 2015.

<sup>1</sup> Previous progress reports are available at [www.bis.org/bcbs/implementation/bpr1.htm](http://www.bis.org/bcbs/implementation/bpr1.htm). One of the responsibilities of member jurisdictions is to implement the BCBS standards in their domestic jurisdictions within the time frame established by the Committee and to undergo and participate in BCBS reviews to assess the consistency and effectiveness of domestic rules and supervisory practices in relation to BCBS standards (see the BCBS Charter of January 2013, [www.bis.org/bcbs/charter.htm](http://www.bis.org/bcbs/charter.htm)).

<sup>2</sup> See BCBS, *Basel III Regulatory Consistency Assessment Programme*, October 2013, [www.bis.org/publ/bcbs264.htm](http://www.bis.org/publ/bcbs264.htm).

<sup>3</sup> For jurisdictions that are not members of the Committee, the Financial Stability Institute (FSI) of the Bank for International Settlements published the results of its survey on Basel III's adoption status in July 2014. See FSI, *FSI Survey – Basel II, 2.5 and III implementation*, July 2014, [www.bis.org/fsi/fsiop2014.htm](http://www.bis.org/fsi/fsiop2014.htm).

## Status of adoption of Basel III standards

### Scope

The Basel III framework builds on and enhances the regulatory framework set out under Basel II and Basel 2.5. The table attached therefore reviews members' regulatory adoption of Basel II, Basel 2.5 and Basel III.<sup>4</sup>

- *Basel II*: Basel II, which improved the measurement of credit risk and included capture of operational risk, was released in 2004 and was due to be implemented from year-end 2006. The Framework consists of three pillars: Pillar 1 contains the minimum capital requirements; Pillar 2 sets out the supervisory review process; and Pillar 3 corresponds to market discipline.
- *Basel 2.5*: Basel 2.5, published in July 2009, enhanced the measurements of risks related to securitisation and trading book exposures. Basel 2.5 was due to be implemented no later than 31 December 2011.
- *Basel III*: In December 2010, the Committee released Basel III, which set higher levels for capital requirements and introduced a new global liquidity framework. Committee members agreed to implement Basel III from 1 January 2013, subject to transitional and phase-in arrangements.<sup>5</sup>
- *G-SIB framework*: In July 2013, the Committee published the framework on the assessment methodology and the higher loss absorbency for global systemically important banks (G-SIBs). The requirements will be introduced on 1 January 2016 and become fully effective on 1 January 2019. To enable their timely implementation, national jurisdictions agreed to implement by 1 January 2014 the official regulations/legislations that establish the reporting and disclosure requirements.
- *D-SIB framework*: In October 2012, the Basel Committee issued a set of principles on the assessment methodology and the higher loss absorbency requirement for domestic systemically important banks (D-SIBs). Given that the D-SIB framework complements the G-SIB framework, the Committee believes it would be appropriate if banks identified as D-SIBs by their national authorities are required to comply with the principles in line with the phase-in arrangements for the G-SIB framework, ie from January 2016.
- *Liquidity coverage ratio*: In January 2013, the Basel Committee issued the revised liquidity coverage ratio (LCR). The LCR underpins the short-term resilience of a bank's liquidity risk profile. The LCR came into effect on 1 January 2015 and is subject to a transitional arrangement before reaching full implementation on 1 January 2019.<sup>6</sup>

<sup>4</sup> These standards are available at [www.bis.org/bcbs/publications.htm](http://www.bis.org/bcbs/publications.htm).

<sup>5</sup> In September 2013, the Committee issued the final framework for margin requirements for non-centrally cleared derivatives, which will be phased in over a four-year period, beginning in December 2015 with the largest, most active and most systemically important derivatives market participants. In December 2013, the Committee issued the final standard for the treatment of banks' investments in the equity of funds that are held in the banking book, which will take effect from 1 January 2017. In April 2014, the Committee issued the final standard for the capital treatment of bank exposures to central counterparties, which will come into effect on 1 January 2017. Also in April 2014, the Committee issued the final standard that sets out a supervisory framework for measuring and controlling large exposures, which will take effect from 1 January 2019.

<sup>6</sup> In January 2014, the Committee issued final requirements for banks' LCR-related disclosures. Banks are required to comply with them from the date of the first reporting period after 1 January 2015.

- *Leverage ratio*: In January 2014, the Basel Committee issued the Basel III leverage ratio framework and disclosure requirements following endorsement by its governing body, the Group of Central Bank Governors and Heads of Supervision (GHOS). Implementation of the leverage ratio requirements has begun with bank-level reporting to national supervisors and public disclosure on 1 January 2015.
- *Net stable funding ratio*: In October 2014, the Basel Committee issued the final standard for the net stable funding ratio (NSFR). In line with the timeline specified in the 2010 publication of the liquidity risk framework, the NSFR will become a minimum standard by 1 January 2018. The monitoring of the status of adoption of the NSFR is planned to start with the next progress report in October 2015.

## Methodology

The information contained in the following table is based on responses from Basel Committee member jurisdictions, and reports the status as of end-March 2015.

The following classification is used for the adoption status of Basel regulatory rules:

1. *Draft regulation not published*: no draft law, regulation or other official document has been made public to detail the planned content of the domestic regulatory rules. This status includes cases where a jurisdiction has communicated high-level information about its implementation plans but not detailed rules.
2. *Draft regulation published*: a draft law, regulation or other official document is already publicly available, for example, for public consultation or legislative deliberations. The content of the document has to be specific enough to be implemented when adopted.
3. *Final rule published*: the domestic legal or regulatory framework has been finalised and approved but is still not applicable to banks.
4. *Final rule in force*: the domestic legal and regulatory framework is applied to banks.

In order to support and supplement the status reported, summary information about the next steps and the adoption plans being considered are also provided for each jurisdiction.<sup>7</sup>

In addition to the status classification, a colour code is used to indicate the adoption status of each jurisdiction.<sup>8</sup> The colour code is used for those Basel components for which the agreed adoption deadline has passed.

<sup>7</sup> Links to domestic implementation documents are available at [www.bis.org/publ/bcbs/b3prog\\_dom\\_impl.htm](http://www.bis.org/publ/bcbs/b3prog_dom_impl.htm).

<sup>8</sup> **Green** = adoption completed; **yellow** = adoption in process; **red** = no adoption.

## Overview table

**Number code:** 1 = draft regulation not published; 2 = draft regulation published; 3 = final rule published; 4 = final rule in force.

**Green** = adoption completed; **yellow** = adoption in process; **red** = no adoption.

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	Liquidity (LCR)	Leverage ratio (disclosure requirements)	G-SIB / D-SIB requirements
Argentina	4	4, 1	4	4	4	3
	Final Pillar 3 rules came into force on 31 December 2013. Final rules for Pillar 1 credit risk and Pillar 2 came into force on 1 January 2013.	(4) Enhancements to the Basel II framework (July 2009): rules relating to enhancements to securitisation came into force on 1 January 2013. (1) Revisions to the Basel II market risk framework (July 2009): market risk amendments to reflect Basel 2.5 are considered a lower priority given the limited activity in Argentina.	Final Pillar 3 rules came into force on 31 December 2013. Final rules for Pillars 1 and 2 came into force on 1 January 2013.	Final rule published on 8 January 2015 and in force from 30 January 2015 (Communication "A" 5693) <sup>9</sup> with requirements to be met on a solo and consolidated basis by type-A banks (18 largest banks) <sup>10</sup> Monitoring tools and disclosure requirements have been published on 30 March 2015 and came into force on 31 March 2015 (Communications "A" 5733 and 5734). <sup>11</sup>	Banks have to comply with the supervisory reporting regime and disclosure requirements as of the quarter-end 30 September 2014 and 31 March 2015, respectively (Ordered Text on Third Pillar – Market Discipline, Communication "A" 5674). <sup>12</sup>	Methodology for assessing banks' domestic importance already published. <sup>13</sup> Final rule published on 8 January 2015 (Communication "A" 5694) <sup>14</sup> requiring D-SIBs (5 banks: 1 government-owned, 2 domestic banks and 2 foreign subsidiaries) to meet a HLA requirement equivalent to 1% of their RWA, with a phase-in period between January 2016 and January 2019.

<sup>9</sup> See [www.bcra.gov.ar/pdfs/comytexord/A5693.pdf](http://www.bcra.gov.ar/pdfs/comytexord/A5693.pdf).

<sup>10</sup> See [www.bcra.gov.ar/pdfs/comytexord/A5703.pdf](http://www.bcra.gov.ar/pdfs/comytexord/A5703.pdf).

<sup>11</sup> See [www.bcra.gov.ar/pdfs/comytexord/A5733.pdf](http://www.bcra.gov.ar/pdfs/comytexord/A5733.pdf) and [www.bcra.gov.ar/pdfs/comytexord/A5734.pdf](http://www.bcra.gov.ar/pdfs/comytexord/A5734.pdf)

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	Liquidity (LCR)	Leverage ratio (disclosure requirements)	G-SIB / D-SIB requirements
Australia	4	4	4	4, 2	2	4, 2
				(4) Final prudential standards were issued in December 2013. The LCR came into effect in full from 1 January 2015 while other aspects of the Basel III liquidity requirements came into effect from 1 January 2014. Reporting standards came into effect for reporting periods on or after 30 June 2014. (2) Consultation on LCR public disclosure requirements commenced in Q3 2014.	Consultation on the draft prudential standard for the leverage ratio disclosure requirements commenced in Q3 2014.	(4) APRA released its D-SIB framework in December 2013, which requires the four identified D-SIBs to hold an additional 1% in CET1 to meet the higher loss absorbency capital requirements, effective from 1 January 2016. (2) No Australian bank is on the current list of G-SIBs, although the four Australian D-SIBs fall under the public G-SIB disclosure framework. Consultation on the draft prudential standard for public G-SIB disclosures commenced in Q3 2014.
Brazil	4	4	4	3	3	4, 1

<sup>12</sup> See [www.bcra.gov.ar/pdfs/comytexord/A5674.pdf](http://www.bcra.gov.ar/pdfs/comytexord/A5674.pdf)

<sup>13</sup> See [www.bcra.gov.ar/pdfs/marco/D\\_SIBs.pdf](http://www.bcra.gov.ar/pdfs/marco/D_SIBs.pdf) and [www.bcra.gov.ar/pdfs/marco/D\\_SIBs\\_i.pdf](http://www.bcra.gov.ar/pdfs/marco/D_SIBs_i.pdf)

<sup>14</sup> See [www.bcra.gov.ar/pdfs/comytexord/A5694.pdf](http://www.bcra.gov.ar/pdfs/comytexord/A5694.pdf)

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	Liquidity (LCR)	Leverage ratio (disclosure requirements)	G-SIB / D-SIB requirements
				Final rules published in February 2015. Rules will come into force by 1 October 2015.	Final rules published in February 2015. Rules will come into force by 1 October 2015.	(4) No G-SIBs' bank in Brazil although some fall under the public G-SIBs disclosure framework. The final rules for disclosure came into force in March 2015 (1) D-SIB higher loss absorbency requirements are expected to be issued in the first half of 2015.
Canada	4	4	4	4	4	4, 3
			Requiring banks to meet an "all-in" basis – thereby meeting 2019 capital levels but phasing out non-qualifying capital instruments.	Final guidance issued in May 2014 and in force from 1 January 2015 Final LCR public disclosure guidance issued for DSIBs in July 2014 and in force beginning with fiscal Q2 2015 reporting (February to April 2015 reference period).	Final guidance issued and in force. Domestic leverage test replaced with Basel III leverage ratio (including disclosure requirements) effective Q1 2015.	(4) Final rules issued and additional supervisory expectations and disclosure obligations in effect. (3) Capital rules take effect in January 2016.
China	4	4	4	4, 2	4	4, 1
				(4) The Rules on Liquidity Risk Management of Commercial Banks incorporates the LCR requirement, which is consistent with the	Domestic rules on leverage ratio under the Basel III framework came into effect on 1 January 2012. Revised rules adopting	(4) D-SIB surcharge of 1% has been applied to the five largest Chinese banks including G-SIBs since 2010. The CBRC issued the



Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	Liquidity (LCR)	Leverage ratio (disclosure requirements)	G-SIB / D-SIB requirements
				<p>2013 Basel III LCR standard and adopts the same phase-in period.</p> <p>The Rules (in Chinese) was published on the CBRC's website on 19 February 2014. The Rules, together with the LCR requirement, has been in effect since 1 March 2014.</p> <p>(2) The consultation on the LCR disclosure standard has been completed.</p>	<p>amendments to the Basel III's leverage ratio and disclosure requirements were published in January 2015 and is already in effect.</p>	<p><i>Guidelines on the Disclosure of G-SIB Assessment Indicators for Banks in China</i> in January 2014, which came into effect in February 2014.</p> <p>(1) The CBRC is formulating the policy framework for D-SIBs.</p>
Hong Kong SAR	4	4	4	4	4	4
			<p>Final rules on minimum capital standards and associated disclosure requirements took effect on 1 January 2013 and 30 June 2013, respectively.</p> <p>Final rules on capital buffers took effect on 1 January 2015.</p>	<p>Final rules on LCR took effect on 1 January 2015.</p> <p>Rules specifying disclosure requirements for the LCR came into operation on 31 March 2015.</p>	<p>Rules incorporating disclosure requirements of the leverage ratio came into operation on 31 March 2015.</p>	<p>Final rules on G-SIB / D-SIB requirements took effect on 1 January 2015.</p>
India	4	4	4	4	4	3, 4
				<p>Final rules issued in June 2014 and implemented from 1 January 2015.</p>	<p>Revised guidelines incorporating amendments to leverage ratio framework and disclosure requirements</p>	<p>(3) Final framework for dealing with D-SIBs published in July 2014.</p> <p>(4) There are no Indian requirements</p>

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	Liquidity (LCR)	Leverage ratio (disclosure requirements)	G-SIB / D-SIB requirements
					issued in January 2015 for implementation from 1 April 2015.	banks on the list of G-SIBs. One Indian bank included in the sample of global banks for identification of G-SIBs has been issued instructions to make disclosures starting from the financial year ended 31 March 2014.
Indonesia	4	2	4	2, 4	4	3, 1
		After the issuance of the Basel 2.5 consultative paper in 2013, the authority continues the studies on the need to issue a consultative paper to revise the existing regulation. It is important to note that since the securitisation regulation was issued a few years ago, only one bank has acted as securitisation originator, by issuing mortgage-backed securities. Moreover, securitisation exposures held by banks as investors also remain very small, ie around 0.017% of total assets of	Regulation on Basel III capital was issued in 2013 and has been effectively implemented starting January 2014.	(2) A consultative paper on LCR regulation was issued in September 2014. The authority is in the midst of finalising the LCR regulation. In the meantime, selected banks have been required to calculate the LCR using December 2014 data. (4) The disclosure of the LCR has been implemented in the first quarter of 2015, in line with the BCBS timeline.	Selected banks have been required to calculate the leverage ratio using December 2014 data. The leverage ratio disclosure has been implemented in the first quarter (first reporting period of 2015).	(3) Application of a capital surcharge to D-SIBs has been stipulated in Basel III capital framework issued in 2013 and is planned to be imposed starting January 2016. (1) A draft regulation detailing the D-SIB framework methodology and its implementation is currently being drafted.

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	Liquidity (LCR)	Leverage ratio (disclosure requirements)	G-SIB / D-SIB requirements
		the banking industry.				
Japan	4	4	4, 1	4, 3	4	4, 1, 1
			(4) Final Basel III rules were published in March 2012 and have been implemented since March 2013. (1) Regulations on capital conservation buffer and the countercyclical buffer are expected to be finalised in 2015.	(4) Final regulations for LCR were published in October 2014 and have been implemented from March 2015. (3) Final rule on LCR disclosure has been published in December 2014. It will be in force by end of June 2015.	Final leverage ratio reporting rules were published in March 2015 and have been implemented from March 2015.	(4) Rules requiring public disclosure of 12 indicators for assessing G-SIBs have been finalised and implemented. (1) Regulations on higher loss absorbency requirements for G-SIBs are expected to be finalised in 2015. (1) Methodology for identifying D-SIBs and rules covering higher loss absorbency requirements for D-SIBs are expected to be finalised in 2015.
Korea	4	4	4	4	4	4, 1
			Final rules on minimum capital standards and associated disclosure requirements took effect on 1 December 2013 and 31 December 2013, respectively.	Final rules on LCR and disclosure standards were published in December 2014. The rules on LCR have been implemented in January 2015 whilst LCR disclosure requirements have been implemented in	Final rules on the leverage ratio and disclosure requirements published in January 2015. Disclosure requirements on leverage ratio have been implemented in March 2015.	(4) Rules requiring public disclosure of 12 indicators for assessing G-SIBs have been finalised and implemented in December 2013. (1) D-SIB framework is currently under development.

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	Liquidity (LCR)	Leverage ratio (disclosure requirements)	G-SIB / D-SIB requirements
				March 2015.		
Mexico	4	4	4	4	1	1
		The remaining outstanding regulations were published in December 2014.	Rules on banks' exposure to central counterparties (CCPs) and CVA have been published in December 2014.	Final rules on LCR and LCR disclosure have been issued and in force from 1 January 2015.	Expected to be published in 2015.	
Russia	4, 2, 2	4, 2	4	2	3	4
	(4) Simplified standardised approach for credit risk, simplified approach for market risk and the basic indicator approach for operational risk implemented. Regulations on Pillar 3 disclosure are in force starting from January 2014. (2) Draft regulation implementing IRB approach for Pillar 1 credit risk capital requirements published in February 2014. Final rule is planned to be published in the first half of 2015. (2) ICAAP recommendations are	(4) Regulations on Pillar 3 disclosure are in force starting from 2014. Final regulation on the revised standardised approach for market risk (except for securitisation exposures and credit derivatives) in force since 1 February 2013. (2) ICAAP recommendations are implemented. Draft regulations for Pillar 2 were published for public consultation in August 2014 and are planned to be adopted in the first half of 2015.	(4) Regulation on capital definition and capital adequacy ratios (except for the securitisation framework) implemented since 1 January 2014. Rules for CVA capital charge (under the standardised approach) are in force since October 2014.	Final rule on LCR as a prudential ratio will be published in Q2 2015. Reporting requirement on LCR for largest banks in force since July 2014.	Regulation on the disclosure of leverage ratio information will come in force in Q2 2015. The first disclosure will be made based on the results of Q2 2015.	Regulation on methodology for identifying D-SIBs is in force since February 2014. Special regulation approaches are being developed.

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	Liquidity (LCR)	Leverage ratio (disclosure requirements)	G-SIB / D-SIB requirements
	implemented. Draft regulations for Pillar 2 were published for public consultation in August 2014. They are planned to be adopted in the first half of 2015.					
Saudi Arabia	4	4	4	4	4	3
				SAMA introduced the LCR from January 2012 through circular #BCS 7390 dated 8 February 2012, and the Amended LCR from June 2013 through SAMA circular #341000107020 dated 10 July 2013. SAMA through its Circular #351000133366 dated 25 August 2014, issued its final guidance document on the LCR disclosure standards. The aforementioned SAMA Circular is effective from January 2015.	SAMA through its Circular # 351000133367 on 25 August 2014 issued its final guidance document on the Leverage Ratio disclosure requirements. The aforementioned SAMA Circular is effective from January 2015.	D-SIB framework has been finalised and the relevant regulation has been issued for implementation by January 2016 through SAMA Circular # 351000138356 (issued in September 2014).
Singapore	4	4	4	4, 1	4	4, 2
				(4) MAS has published and implemented the liquidity coverage ratio	MAS has published and implemented the leverage ratio disclosure	(4) The public disclosure and submission requirements for

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	Liquidity (LCR)	Leverage ratio (disclosure requirements)	G-SIB / D-SIB requirements
				requirements for locally incorporated banks. The rules took effect on 1 January 2015, in line with the BCBS timeline. (1) MAS is in the midst of drafting the consultation paper for local implementation of the LCR disclosure rules.	requirements (published by BCBS in January 2014) in MAS Notice 637 from 1 January 2015, in line with BCBS timeline.	assessing G-SIBs are implemented with effect from 1 January 2014 in MAS Notice 637. (2) MAS has published a consultation paper on the proposed framework to identify D-SIBs in Singapore and address the risks they pose. The D-SIB requirements will be implemented by 1 January 2016, in line with BCBS's phase-in timeline.
South Africa	4	4	4	4	4	3
	Regulations that contain the Basel II, Basel 2.5 and Basel III requirements are available on the website of the South African Reserve Bank. <sup>15</sup>	Regulations that contain the Basel II, Basel 2.5 and Basel III requirements are available on the website of the South African Reserve Bank.	The credit valuation adjustment (CVA) risk on all ZAR-denominated OTC derivatives and non-ZAR OTC derivatives between domestic entities is assigned a zero percent capital	LCR requirements are addressed in the regulations which were implemented with effect from 1 January 2013. Subsequent BCBS updates were effected by means of directives,	A 4% leverage ratio requirement is defined in the regulations which were implemented with effect from 1 January 2013. Subsequent BCBS updates were effected by means of a directive,	G-SIB / D-SIB requirements are addressed in the regulations that were implemented with effect from 1 January 2013 and a subsequent directive specifies the application of the amended capital

<sup>15</sup> See [www.resbank.co.za/publications/detail-item-view/pages/publications.aspx?sarbweb=3b6aa07d-92ab-441f-b7bf-bb7dfb1bedb4&sarblast=21b5222e-7125-4e55-bb65-56fd333371e&sarbitem=5442](http://www.resbank.co.za/publications/detail-item-view/pages/publications.aspx?sarbweb=3b6aa07d-92ab-441f-b7bf-bb7dfb1bedb4&sarblast=21b5222e-7125-4e55-bb65-56fd333371e&sarbitem=5442).

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital requirements until 31 March 2015. <sup>16</sup>	Liquidity (LCR) which are currently in the process of being incorporated into the regulations. <sup>17</sup> BCBS timelines are adhered to.	Leverage ratio (disclosure requirements) which is currently in the process of being incorporated into the regulations <sup>18</sup> BCBS timelines are adhered to.	G-SIB / D-SIB requirements framework, including the G-SIB / D-SIB <sup>19</sup> requirements. BCBS timelines are adhered to.
Switzerland	4	4	4	4	4	4
				Ordinance and circular on LCR rules in effect as of January 2015. Monthly LCR reporting to FINMA for all banks in effect since January 2015.	All banks report to FINMA the Basel III leverage ratio since 3Q 2014. Disclosure starts in 2015. As of 2015, subject to a one-year transition period, the Swiss G-SIB leverage ratio	The Swiss G-SIB regulation has been in force since 2013. With regard to the disclosure requirements large banks are required to publish the G-SIB indicators as of 31 December 2014.

<sup>16</sup> This came about as a result of the extended absence of a domestic central counterparty for domestic OTC derivatives transactions.

<sup>17</sup> The directives are available as follows: Directive 6/2014 at <http://www.resbank.co.za/publications/detail-item-view/pages/publications.aspx?sarbweb=3b6aa07d-92ab-441f-b7bf-bb7dfb1bedb4&sarblst=21b5222e-7125-4e55-bb65-56fd3333371e&sarbitem=6438>; Directive 7/2014 at <http://www.resbank.co.za/publications/detail-item-view/pages/publications.aspx?sarbweb=3b6aa07d-92ab-441f-b7bf-bb7dfb1bedb4&sarblst=21b5222e-7125-4e55-bb65-56fd3333371e&sarbitem=6473>; Directive 8/2014 at <http://www.resbank.co.za/publications/detail-item-view/pages/publications.aspx?sarbweb=3b6aa07d-92ab-441f-b7bf-bb7dfb1bedb4&sarblst=21b5222e-7125-4e55-bb65-56fd3333371e&sarbitem=6474>; Directive 11/2014 at <http://www.resbank.co.za/publications/detail-item-view/pages/publications.aspx?sarbweb=3b6aa07d-92ab-441f-b7bf-bb7dfb1bedb4&sarblst=21b5222e-7125-4e55-bb65-56fd3333371e&sarbitem=6551>.

<sup>18</sup> The directive is available at <http://www.resbank.co.za/publications/detail-item-view/pages/publications.aspx?sarbweb=3b6aa07d-92ab-441f-b7bf-bb7dfb1bedb4&sarblst=21b5222e-7125-4e55-bb65-56fd3333371e&sarbitem=6424>.

<sup>19</sup> The directive is available at [www.resbank.co.za/publications/detail-item-view/pages/publications.aspx?sarbweb=3b6aa07d-92ab-441f-b7bf-bb7dfb1bedb4&sarblst=21b5222e-7125-4e55-bb65-56fd3333371e&sarbitem=5686](http://www.resbank.co.za/publications/detail-item-view/pages/publications.aspx?sarbweb=3b6aa07d-92ab-441f-b7bf-bb7dfb1bedb4&sarblst=21b5222e-7125-4e55-bb65-56fd3333371e&sarbitem=5686).

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	Liquidity (LCR)	Leverage ratio (disclosure requirements)	G-SIB / D-SIB requirements
					requirements have to be fulfilled based on the Basel III definition of total exposure.	
Turkey	4	4	4	4	4	1
			Final regulations issued in September 2013 and came into force on 1 January 2014.	Final regulation issued. Reporting requirement is effective as of April 2014.	Final regulation issued. Reporting requirement is effective as of January 2014.	
United States	4	4	4	4, 1	4	2
	US agencies announced on 21 February 2014 that eight of the largest bank holding companies and 12 subsidiary banks had been approved to exit parallel run. Those US institutions still in parallel run remain subject to Basel I capital requirements for risk-weighted assets.	Final market risk capital requirements, which incorporate Basel 2.5, became effective on 1 January 2013. Other Basel 2.5 revisions included as part of the final Basel III rule approved in July 2013 became effective 1 January 2014.	Final Basel III rule approved in July 2013, effective 1 January 2014.	(4) The LCR rule came into effect 1 January 2015. (1) LCR disclosure: the US agencies are developing a proposal to implement LCR disclosure requirements, which is anticipated to be issued for public comment during 2015.	Leverage ratio included in final Basel III rule approved in July 2013 and effective 1 January 2014. Existing US leverage ratio remains in effect. Basel III leverage ratio reporting began 1 January 2015, and compliance with minimum requirements begins 1 January 2018. In April 2014, the US agencies finalised enhanced supplementary leverage ratio requirements for G-SIBs that are higher than minimum Basel requirements. In September 2014, the US agencies issued a final rule to incorporate the	The Federal Reserve Board issued a notice of proposed rulemaking in December 2014 to implement the G-SIB framework. Public comments are due by April 2015, and the Federal Reserve anticipates issuing a final rule by year-end 2015.



Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	Liquidity (LCR)	Leverage ratio (disclosure requirements)	G-SIB / D-SIB requirements
					January 2014 Basel Committee revisions to the leverage ratio framework for internationally active banks.	
European Union	4	4	4	3, 1	4	3, 4
			<p>Final Basel III rule approved in July 2013, effective 1 January 2014. Where necessary, detailed technical standards will be prepared by the EBA and adopted by the Commission on a timely basis.</p> <p>The CRD requires national authorities to issue regulations implementing a capital conservation buffer and a countercyclical buffer. For national implementation status of these capital buffers, see respective EU jurisdictions below.</p>	<p>(3) The delegated act on the LCR was adopted in October 2014 and published in January 2015 (Official Journal EU). The LCR ratio will be implemented from 1 October 2015.</p> <p>(1) The EBA will develop guidelines on the LCR disclosure. Publication expected in April 2016</p>	<p>The delegated act on the leverage ratio (as modified by the Basel Committee in January 2014) was adopted in October 2014 and published in January 2015 (Official Journal of EU). Mandatory public disclosure of leverage ratio is applicable from 1 January 2015 (cf. Articles 451 and 521 of Regulation (EU) No 575/2013).</p>	<p>(3) Mandatory G-SIB and optional D-SIB buffers implemented by Article 131 of Directive 2013/36/EU with date of application of 1 January 2016.</p> <p>Technical standards were published in October 2014 (Official Journal of EU) and are applicable from 1 January 2015.</p> <p>(4) The disclosure requirements for G-SIBs are currently in force.</p> <p>For national implementation status of G-SIB and D-SIB requirements, see respective EU jurisdictions.</p>

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	Liquidity (LCR)	Leverage ratio (disclosure requirements)	G-SIB / D-SIB requirements
Belgium	4	4	(EU: 4) (Nat: 4)	(EU: 3, 1) (Nat: 2)	(EU: 4)	(EU: 3,4) (Nat: 3,4)
			(Follows EU process) National adoption status of capital conservation buffer and countercyclical capital buffer (CRD IV): In the context of the Basel III / CRD IV implementation, Belgian legislators have taken the opportunity to initiate a complete overhaul of the Belgian Banking Law. This law implements the full spectrum of Basel III/CRD IV buffers.	(Follows EU process) National regulation will use top-up powers to require a 100% LCR as of October 2015 (no phase-in) issued for consultation.	(Follows EU process)	(Follows EU process) National adoption status of G-SIB / D-SIB requirements (CRD IV): In the context of the Basel III / CRD IV implementation, Belgian legislators have taken the opportunity to initiate a complete overhaul of the Belgian Banking Law. This law implements the full spectrum of Basel III/CRD IV buffers.
France	4	4	(EU: 4) (Nat: 4)	(EU: 3, 1)	(EU: 4)	(EU: 3,4) (Nat: 3,4)
			(Follows EU process) National adoption status of capital conservation buffer and countercyclical capital buffer (CRD IV): Implemented by the text (Ordinance of	(Follows EU process)	(Follows EU process)	(Follows EU process) National adoption status of G-SIB / D-SIB requirements (CRD IV): Implemented by the text (Ordinance of 20 February 2014) published in the Official

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	Liquidity (LCR)	Leverage ratio (disclosure requirements)	G-SIB / D-SIB requirements
			20 February 2014) published in the Official Journal on 21 February 2014. <sup>20</sup>			Journal on 21 February 2014. <sup>21</sup>
Germany	4	4	(EU: 4) (Nat: 4)	(EU: 3, 1)	(EU: 4)	(EU: 3, 4) (Nat: 3, 4)
			(Follows EU process) National adoption status of capital conservation buffer and countercyclical capital buffer (CRD IV): Rules on capital conservation buffer and countercyclical capital buffer have been transposed into national law. The requirements entered into force on 1 January 2014 and will be phased in from 1 January 2016.	(Follows EU process)	(Follows EU process)	(Follows EU process) National adoption status of G-SIB / D-SIB requirements (CRD IV): Rules on G-SIB / D-SIB as set out in CRD IV have been transposed into national law. The requirements entered into force on 1 January 2014 and will apply from 1 January 2016.
Italy	4	4	(EU: 4) (Nat: 4)	(EU: 3, 1)	(EU: 4)	(EU: 3, 4) (Nat: 3, 4)
			(Follows EU process) National adoption	(Follows EU process)	(Follows EU process)	(Follows EU process) National adoption status

<sup>20</sup> See [www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000028625279](http://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000028625279).

<sup>21</sup> See [www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000028625279](http://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000028625279).

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	Liquidity (LCR)	Leverage ratio (disclosure requirements)	G-SIB / D-SIB requirements
			status of capital conservation buffer and countercyclical capital buffer (CRD IV): adopted.			of G-SIB / D-SIB requirements (CRD IV): adopted.
Luxembourg	4	4	(EU: 4) (Nat: 2)	(EU: 3, 1)	(EU: 4)	(EU: 3, 4) (Nat: 2, 4)
			(Follows EU process) National adoption status of capital conservation buffer and countercyclical capital buffer (CRD IV): Capital conservation buffer adopted. (CSSF regulation 14-01). Draft law dealing with countercyclical capital buffer approved by the government and submitted to the parliament for approval.	(Follows EU process)	(Follows EU process)	(Follows EU process) National adoption status of G-SIB / D-SIB requirements (CRD IV): Draft law approved by the government and submitted to the parliament for approval.
Netherlands	4	4	(EU: 4) (Nat: 4)	(EU: 3, 1)	(EU: 4)	(EU: 3, 4) (Nat: 3, 4)
			(Follows EU process) National adoption status of capital conservation buffer and countercyclical capital buffer (CRD IV): These buffers were implemented in Dutch law on 1 August 2014.	(Follows EU process)	(Follows EU process)	(Follows EU process) National adoption status of G-SIB / D-SIB requirements (CRD IV): The G/D-SIB framework has been implemented in Dutch law as of 1 January 2014. D-SIBs have been designated as such, but the buffers will

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	Liquidity (LCR)	Leverage ratio (disclosure requirements)	G-SIB / D-SIB requirements
						only be phased in as of 2016.
Spain	4	4	(EU: 4) (Nat: 4)	(EU: 3, 1)	(EU: 4)	(EU: 3, 4) (Nat: 3, 4)
			(Follows EU process) National adoption status of capital conservation buffer and countercyclical capital buffer (CRD IV): Law 10/2014 on supervision and solvency of credit institutions and Royal Decree 84/2015 that develops this law.	(Follows EU process)	(Follows EU process)	(Follows EU process) National adoption status of G-SIB / D-SIB requirements (CRD IV): Transposed into national law (Law 10/2014 on supervision and solvency of credit institutions and Royal Decree 84/2015 that develops this law).
Sweden	4	4	(EU: 4) (Nat: 4)	(EU: 3, 1) (Nat: 4)	(EU: 4)	(EU: 3, 4) (Nat: 4, 2)
			(Follows EU process) National adoption status of capital conservation buffer and countercyclical capital buffer (CRD IV): National legislation is in force. The capital	(Follow EU process) (4) The Basel Committee's LCR framework has been adopted in national regulations and is in force. <sup>22</sup>	(Follows EU process)	(Follows EU process) National adoption status of G-SIB / D-SIB requirements (CRD IV): (4) National legislation is in force, in which the supervisory authority (Finansinspektionen) has

<sup>22</sup> The rule is available at <http://fi.se/Folder-EN/Startpage/Regulations/Regulatory-Code/FFFS-201206/>.

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	Liquidity (LCR)	Leverage ratio (disclosure requirements)	G-SIB / D-SIB requirements
			conservation buffer is applied in full (no phase-in). The supervisory authority has been given the legal powers to set the countercyclical buffer rate. The authority has decided to set the rate at 1% for Swedish exposures.			been given all required mandates. The European G-SII and O-SII requirements may be set as of 2016 according to EU law. (2) The level and which firms it applies to will be decided by the supervisory authority following upcoming technical standards and guidelines from the EBA. (4) Also, the supervisory authority has been given the legal powers to set a systemic risk buffer. A systemic risk buffer of 3% CET1 is applied to Sweden's four largest banking groups at group level from 1 January 2015. (Additionally, another 2% CET1 requirement has been put on these banking groups in Pillar 2.)
United Kingdom	4	4	(EU: 4) (Nat: 4)	(EU: 3, 1)	(EU: 4)	(EU: 3, 4) (Nat: 4, 2)
			(Follows EU process) National adoption status of capital conservation buffer	(Follows EU process)	(Follows EU process)	(Follows EU process) National adoption status of G-SIB / D-SIB requirements (CRD IV):

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	Liquidity (LCR)	Leverage ratio (disclosure requirements)	G-SIB / D-SIB requirements
			and countercyclical capital buffer (CRD IV): Final rules published in April 2014 (see PRA PS 3/14).			(4) G-SIB framework implemented through EBA technical standards, with G-SIB disclosure requirements already in force.  (2) The UK D-SIB (O-SII) framework will be developed in 2015. Where applicable to a firm, G-SIB/G-SII and buffers for D-SIBs will be set by the PRA using its powers under s55M of FSMA to increase the size of the firm's combined buffer (see p6 of Appendix 2 of PRA CP5/13).