Basel Committee
on Banking Supervision

Implementation of Basel standards

A report to G20 Leaders on implementation of the Basel III regulatory reforms

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Summary

This report updates G20 Leaders on progress by the 27 member jurisdictions of the Basel Committee on Banking Supervision in implementing the Basel III regulatory reforms.[1] It is the sixth such annual report,[2] and summarises the outcomes of the Committee's Regulatory Consistency Assessment Programme (RCAP). The RCAP (i) monitors members' progress in adopting the Basel III standards; (ii) assesses the consistency of domestic (national or regional) banking regulations with the Basel III standards; and (iii) analyses the prudential outcomes of those regulations.

Overall, further progress has been made since last year's update to the G20 Leaders in implementing the Basel III standards in a full, timely and consistent manner. Also, banks continue to build larger and better-quality capital and liquidity buffers while reducing their leverage.

The Basel III standards for capital, liquidity and global systemically important banks (G-SIBs) have generally been transposed into domestic regulations within the time frame set by the Basel Committee. The key components, including the definition of capital, the capital conservation buffer and the Liquidity Coverage Ratio (LCR), are now enforced by all member jurisdictions. Further, member jurisdictions continue their efforts to adopt other Basel III standards, including those relating to margin requirements for non-centrally cleared derivatives, the Net Stable Funding Ratio (NSFR), the leverage ratio and revised Pillar 3 disclosure requirements.

However, challenges remain, in particular regarding the timely regulatory adoption of some standards. Consistent with last year's report, domestic rules on the standardised approach for measuring counterparty credit risk (SA-CCR), capital requirements for exposures to central counterparties (CCPs) and capital requirements for equity investments in funds are delayed in many jurisdictions. Further, a considerable number of Basel standards remain due to be transposed into domestic regulations over the next couple of years, including those on market risk capital requirements, as well as limits on large exposures and securitisation.

Delayed implementation may have implications for the level playing field, and puts unnecessary pressure on jurisdictions that have implemented the standards based on the agreed time lines. A concurrent implementation of global standards is all the more important as many jurisdictions serve as hosts to internationally active banks. In order to maximise the benefits of its reforms, the Basel Committee will continue to monitor closely the implementation and impact of its standards and report to the G20 on progress.

In 2016, the Basel Committee completed its review of the consistency of implementation of the risk-based capital standards in all member jurisdictions. Its review of the consistency of LCR implementation will be complete by end-2017. These reviews have shown that the domestic regulations are generally consistent with Basel III standards, while further consistency may be achieved in some jurisdictions. Importantly, most member jurisdictions have actively rectified observed deviations by amending their domestic regulations in the course of the assessment.

1 The Basel Committee on Banking Supervision consists of senior representatives of bank supervisory authorities and central banks from Argentina, Australia, Belgium, Brazil, Canada, China, France, Germany, Hong Kong SAR, India, Indonesia, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, Russia, Saudi Arabia, Singapore, South Africa, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States.

2 The Committee's previous update to the G20 Leaders was in August 2016. That and other updates to the G20 are available at www.bis.org/bcbs/impl_moni_g20.htm.

Regarding regulatory outcomes, the quantitative monitoring to review the implications of the Basel III standards shows that banks have continued to build capital and liquidity buffers since last year's report.[3] In particular, all internationally active banks meet the fully phased-in risk-based capital and leverage ratio requirements. Most of these banks also meet the fully phased-in liquidity standards, ie both the LCR and NSFR, ahead of the 2019 deadline.

3 The Committee publishes its Basel III Monitoring Reports semiannually. The most recent report is available at www.bis.org/bcbs/publ/d397.htm.

Progress report on Basel III implementation

1. Introduction

The Committee's mandate is to strengthen the regulation, supervision and practices of banks worldwide with the purpose of enhancing financial stability. Its 2017–18 work programme, approved by Governors and Heads of Supervision (GHOS) and published in April 2017, thus revolves around four key themes: (i) finalising existing policy initiatives and initiating targeted policy development; (ii) monitoring emerging risks and assessing the impact of the Committee's post-crisis reforms; (iii) promoting strong supervision; and (iv) ensuring full, timely and consistent implementation of the Committee's standards.

This report focuses on the Committee's implementation programme, which consists of:

(i) monitoring the adoption of Basel III standards;

(ii) assessing the completeness and consistency of members' regulations vis-à-vis these standards; and

(iii) analysing the prudential outcomes of those regulations.

2. Timely adoption of Basel III standards

Basel Committee member jurisdictions

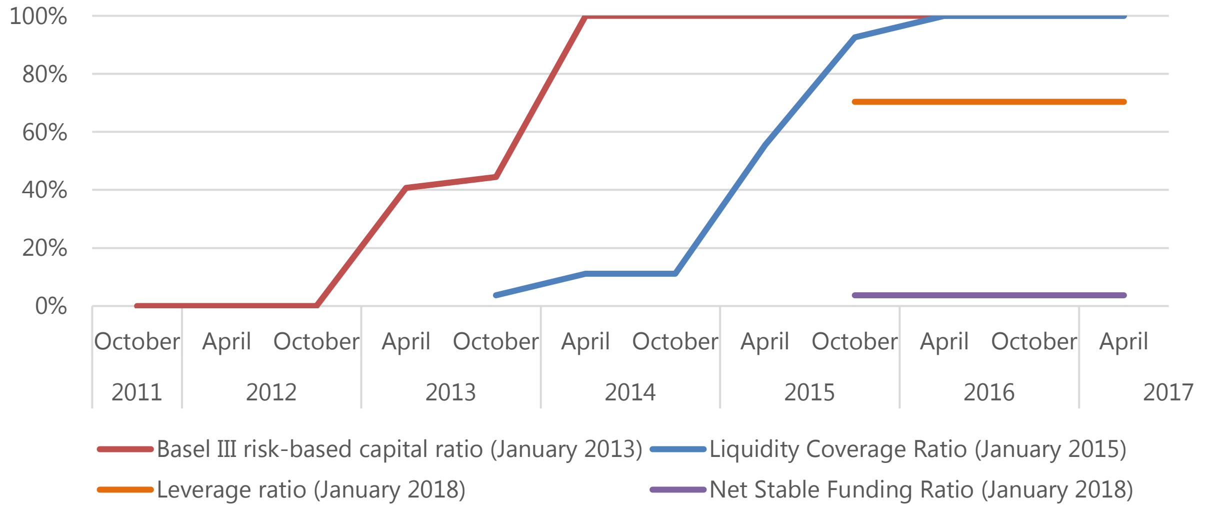
Further progress has been made towards implementing the Basel III framework since last year's report:

- all 27 Basel Committee member jurisdictions now have final rules in force for the definition of capital the capital conservation buffer and the Liquidity Coverage Ratio (LCR);
- 26 of the member jurisdictions have issued final rules for countercyclical capital buffers;
- 25 have issued final rules for their frameworks for domestic systemically important banks (D-SIBs). All members that are home jurisdictions to G-SIBs have implemented the Basel framework for G-SIBs;
- 21 have issued final or draft rules of the revised Pillar 3 requirements; and
- 20 have issued final or draft rules for margin requirements for non-centrally cleared derivatives.

Members continue their efforts to implement other Basel III standards, including the leverage ratio and the NSFR, which are due by January 2018. Annex 1 summarises the status of adoption of Basel standards amongst Basel Committee members. Graph 1 below illustrates the progress in implementing major Basel standards since 2011.

Progress in implementing major Basel standards

Percentage of Basel Committee member jurisdictions in which each standard is in force Graph 1



The Basel Committee's agreed implementation dates in parentheses.

Source: Basel Committee monitoring reports on the adoption of Basel standards, www.bis.org/bcbs/implementation/bprl1.htm.

The implementation of Basel III capital and liquidity standards into domestic regulations has generally been timely thus far. However, a significant number of revised Basel standards await transposition into domestic regulations over the next few years and, while still committed to implementing them, some jurisdictions report challenges in meeting the agreed implementation deadlines. These include standards due to be implemented by January 2017 but for which implementation has been delayed in many member jurisdictions:

- SA-CCR and capital requirements for equity investments in funds. Eight member jurisdictions have not yet issued draft rules of these standards; and
- capital requirements for exposures to CCPs. Ten member jurisdictions have yet to issue draft rules for these requirements.

As mentioned in last year's report, these challenges relate in part to domestic legislative or rule-making processes. In addition, some jurisdictions report that banks face difficulties in adjusting their information systems to meet the new requirements and report on them.

The Committee will continue to closely monitor the timeliness of implementation, and report on progress to the G20. Delayed implementation may have implications for the level playing field and puts unnecessary pressure on jurisdictions that have implemented the standards based on the agreed time lines. A concurrent implementation of global standards is all the more important as many jurisdictions serve as hosts to internationally active banks.

Non-Basel Committee member jurisdictions

A significant number of non-Basel Committee member jurisdictions have already brought key elements of Basel III into force or are in the process of doing so. Final Basel III rules have been increasingly adopted in these jurisdictions over the years, of which a number have closely followed the Basel Committee-agreed implementation dates. According to Financial Stability Institute (FSI) surveys on the implementation of the

Basel framework,[4] around 70 non-Basel Committee member jurisdictions intend to issue final rules on the new definition of regulatory capital and the LCR by end-2018. Further, an FSI survey conducted in 2016 with 73 non-Basel Committee jurisdictions highlighted the following three supervisory priorities: (i) ensuring a forward-looking approach to (risk-based) supervision; (ii) enhancing on-site and off-site supervisory approaches; and (iii) strengthening bank resolution frameworks. The FSI has paid close attention to these results in designing its programme of activities in order to more effectively support the implementation of Basel III reforms in non-Basel Committee member jurisdictions and more broadly meet the needs of the supervisory community worldwide.

3. Assessments of implementation consistency

The Basel Committee has found further evidence that its members' domestic regulations are generally consistent with Basel III standards. Annex 2 summarises the assessments completed since last year's report and those upcoming. All published assessment reports are available on the Basel Committee's website.[5]

In December 2016, the Basel Committee published the final assessment reports in its review of the consistency of the risk-based capital standards in place in all member jurisdictions. The final report, on Indonesia's domestic regulations, followed those published in September 2016 on Argentina and Korea. Argentina's regulations were found to be compliant with the Basel standards, while the Indonesian and Korean regulations were found to be largely compliant. The Committee also published a follow-up assessment of the Japanese risk-based framework, re-affirming a compliant grade. Overall, this means that the risk-based capital standards in 15 jurisdictions have been assessed as compliant, three as largely compliant and nine (including the European Union assessed as a single jurisdiction) as materially non-compliant.

The Basel Committee has now published 15 assessment reports on the domestic adoption of the LCR framework. Since last year's report, a further eight jurisdictions have been assessed, with the regulations in Argentina, China, Korea, Indonesia, Japan, Singapore and the United States all being found compliant with the Basel framework. The LCR regulations in the European Union (considered as a single member jurisdiction) were found largely compliant with the Basel framework. This means, of the 15 jurisdictions assessed, the regulations in 12 have been found to be compliant and three largely compliant. By September 2017, the Basel Committee intends to complete its assessments of all members' implementation of the LCR framework.

As a result of the assessments, most member jurisdictions have taken commendable actions to increase compliance with the Basel standards. This is evident from the high number of rectifications made during the course of these assessments.

- The assessments of the capital framework originally identified more than 1,200 deviations from the Basel risk-based capital standards; members rectified the majority of them during the assessment.
- The assessments of the LCR have identified so far around 190 deviations from the Basel LCR standard; members rectified more than 70% of them during the assessments.

In March 2017, the Basel Committee published overviews of post-assessment follow-up actions by the jurisdictions assessed by end-2015.[6] The follow-up reports summarise the areas in which jurisdictions have taken action or plan to do so to address findings after the assessment. While most

[4] The FSI's Basel implementation surveys are available at www.bis.org/fsi/fsipapers.htm.

[5] At www.bis.org/bcbs/implementation/rcap_jurisdictional.htm.

[6] At www.bis.org/bcbs/implementation/summary_pafu.htm.

member jurisdictions have actively sought to rectify findings during the course of the assessments, further consistency may be achieved in some jurisdictions by addressing material or potentially material findings after the assessments. The Committee expects to continue to publish such follow-up reports annually and, from 2018, these will cover all member jurisdictions.

4. Monitoring and consistency analysis of regulatory outcomes

Quantitative monitoring of Basel III impact

Regarding the regulatory outcomes, the quantitative monitoring of Basel III regulations shows that banks have continued to build capital and liquidity buffers since last year's progress report on Basel III implementation. All large internationally active banks participating in the Basel Committee's quantitative monitoring exercises now meet the Basel III risk-based minimum capital requirement of 4.5% Common Equity Tier 1 (CET1) and the target level CET1 of 7.0% (plus the surcharges on G-SIBs, as applicable).

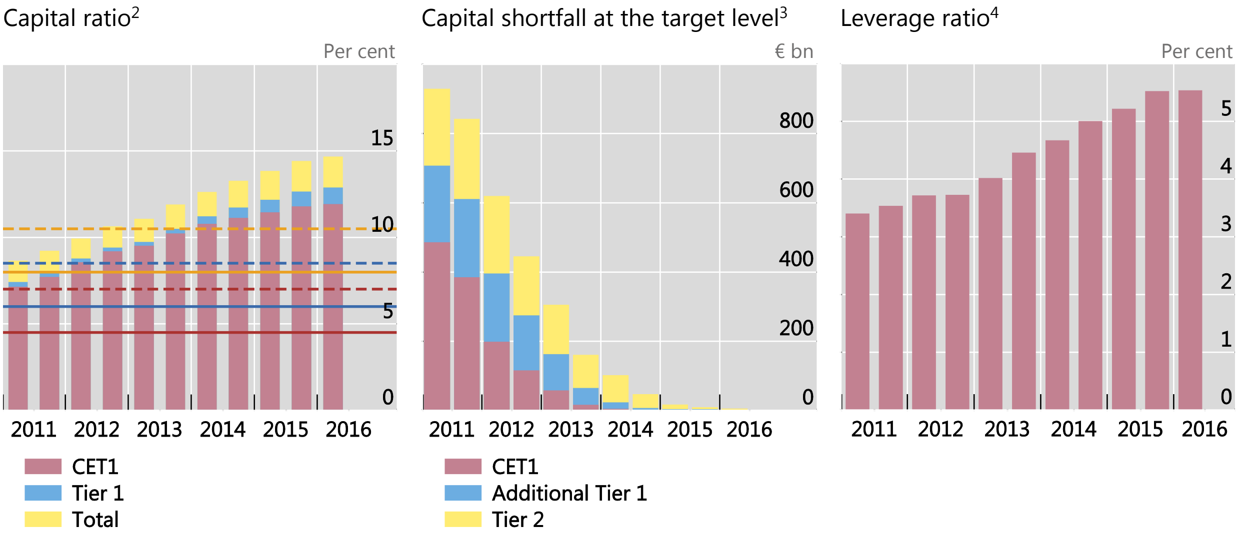
The average capital ratio of large internationally active banks continued to rise in the first half of 2016, while the capital shortfall declined further (Graph 2). The weighted average Basel III leverage ratio for large internationally active banks was 5.6%. With regard to the liquidity standards, the weighted average LCR for large internationally active banks was 126.2%, and the weighted average NSFR was 114.0% (Graph 3). However, a number of banks still need to increase their liquidity buffer to meet the minimum requirement of 100%. The transitional arrangements for implementing the LCR allow these banks to adjust gradually to the minimum requirements over time. The NSFR becomes a minimum standard on 1 January 2018.

In the last five years, the international banking system has made substantial progress in building capital and liquidity buffers. Since 2011, the amount of CET1 capital held by large internationally active banks has increased by around 70%, or over EUR 1.46 trillion (end-June-2016 figure), while the leverage ratio has steadily risen up to end-2015 and has remained stable since then, showing a considerable reduction in the level of leverage. With regards to the LCR, the pool of high-quality liquid assets and inflows[7] have increased by around EUR 3.72 trillion (at end-June-2016) since the end of 2012.

[7] Under the LCR, banks must hold a stock of unencumbered high-quality liquid assets (HQLA) to cover the total net cash outflows over a 30-day period under a prescribed stress scenario. The net cash outflows are the total expected cash outflows minus total expected cash inflows in the specified stress scenario for the subsequent 30 calendar days.

Average Basel III capital ratios, capital shortfall and leverage ratios

Fully phased-in Basel III, samples of large internationally active banks[1] Graph 2

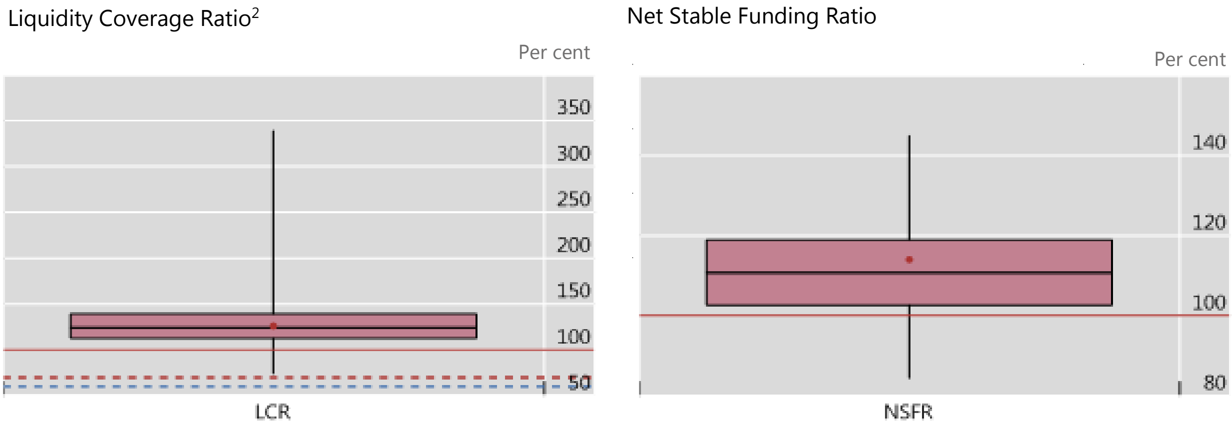


[1] Large internationally active banks are those that have Tier 1 capital of more than €3 billion and are internationally active; 99 such banks took part in the Committee's monitoring exercise at the end-June 2016 reporting date. [2] Consistent sample of 89 banks that provided data for all relevant periods. Solid lines show the relevant minimum ratio, dotted lines the minimum ratio plus the capital conservation buffer. [3] Sample and exchange rates as at the reporting dates. The height of each bar shows the aggregated capital shortfall considering requirements for each Tier (ie CET1, Tier 1 and Total) of capital. [4] Tier 1 leverage ratio, consistent sample of 89 banks. The data points for H1 2013 use an approximation for the final definition of the Basel III leverage ratio exposure where gross instead of adjusted gross securities financing transaction values are used.

Source: Basel Committee on Banking Supervision, *Basel III Monitoring Report*, February 2017, www.bis.org/bcbs/publ/d397.htm.

Basel III liquidity ratios

Sample of large internationally active banks[1] Graph 3



[1] The median value is represented by a horizontal line, with 50% of the values falling in the range shown by the box. The upper and lower end points of the thin vertical lines show the range of the entire sample. [2] The sample is capped at 400%, meaning that all banks with an LCR above 400% were set to 400%. The horizontal red lines represent the 60% minimum (2015, blue dashed line), the 70% minimum (2016, red dashed line) and the 100% minimum (2019, red solid line).

Source: Basel Committee on Banking Supervision, *Basel III Monitoring Report*, February 2017, www.bis.org/bcbs/publ/d397.htm.

Consistency of regulatory outcomes

In total, the Basel Committee has published five thematic assessments on risk-weighted assets (RWA) variability across member jurisdictions, most recently in April 2016. These reports covered credit risk, counterparty credit risk and market risk. The findings from these thematic assessments have contributed to the Committee's standard-setting work, including the revision of the market risk framework, published in January 2016,[8] and the outstanding revisions to the internal ratings-based approach for credit risk and capital floors.

The Committee will continue its work to assess the impact of its post-crisis reforms. This will include assessing the effectiveness of these reforms in reducing excessive variability of banks' RWA.

5. The Basel Committee's implementation work plan

The Committee will continue to promote consistency of regulatory implementation across its member jurisdictions. The key elements of the Committee's implementation strategy for 2017–18 will be to:

- continue monitoring the adoption of Basel III standards;
- complete the remaining jurisdictional assessment reports on the consistency of implementation of the LCR by-end 2017;
- continue the annual review of post-assessment follow-up actions;
- review, based on lessons learnt from the risk-based capital, LCR and G-SIB assessments, the methodology for consistency assessments;
- review the implementation of other standards, starting with the NSFR and large exposures framework, with the first reports expected to be published in 2018;
- continue assessing the impact of the Committee's post-crisis reforms. This will include assessing the effectiveness of these reforms in reducing the excessive variability of banks' RWA, in addition to a more general assessment of the extent to which these reforms have achieved their intended objectives; and
- discuss further, through its Basel Consultative Group, any implementation challenges of the regulatory framework with a broad range of non-BCBS member jurisdictions from emerging market economies.

The Basel Committee will also review banks' implementation of the standard on interest rate risk in the banking book. In addition, the Committee will continue to support national authorities in the implementation and supervision of sound risk management practices by banks, including for example by monitoring the implementation of the principles for effective risk data aggregation and risk reporting. Since the publication of these principles in 2013, banks have made noticeable gains, particularly in establishing or strengthening banks' internal governance frameworks, and, in general, improving their risk data aggregation and risk reporting capabilities. However, as highlighted in the fourth progress report published in March 2017 on banks' adoption of these principles, G-SIBs' level of compliance with the principles is unsatisfactory. Among the G-SIBs subject to an implementation deadline of January 2016, only one G-SIB fully complied with the principles before the deadline. The Committee will continue to monitor progress in adopting the principles and has made additional recommendations to banks and supervisors to promote their further adoption.[9]

[8] See www.bis.org/bcbs/publ/d352.htm.

[9] See www.bis.org/bcbs/publ/d399.htm.

Annex 1: Regulatory adoption of Basel standards

The following table summarises the status of adoption of the various Basel standards in the 27 Basel Committee member jurisdictions. The information is based on the 12th progress report on the adoption of the Basel regulatory framework published in April 2017.[10]

As of March 2017, all 27 member jurisdictions have final rules in force for the definition of capital, the capital conservation buffer and the LCR, 26 have issued final rules for the countercyclical capital buffers and 25 have issued final or draft rules for their D-SIB framework. With regard to the G-SIB framework, all members that are home jurisdictions to G-SIBs have the final framework in force. Member jurisdictions continue their efforts to implement other Basel standards that are due to come into force in the next couple of years, including the NSFR and leverage ratio.

Adoption status of Basel III (end-March 2017)

Number of Basel Committee member jurisdictions — Table 1

Basel standard	BCBS agreed date of implementation	Status as of end-March 2017		
		Draft rules issued	Final rules issued (not in force)	Final rules in force
Risk-based capital standards				
Definition of capital	Jan 2013	--	--	27
Capital conservation buffer	Jan 2016	--	--	27
Countercyclical buffer	Jan 2016	1	--	26
Capital requirements for equity investments in funds	Jan 2017	11	--	8
SA-CCR	Jan 2017	13	1	5
Securitisation framework	Jan 2018	11	3	--
Margin requirements for non-centrally cleared derivatives	Sep 2016	2	--	18
Capital requirements for CCPs	Jan 2017	11	1	5
Liquidity standards				
LCR	Jan 2015	--	--	27
LCR disclosure requirements	Jan 2015	1	--	16
NSFR	Jan 2018	16	1	1
NSFR disclosure requirements	Jan 2018	12	--	1
Other Basel III standards				
Leverage ratio	Jan 2018	2	1	19
Leverage ratio disclosure requirements	Jan 2015	1	--	26
G-SIB requirements	Jan 2016	--	--	19
D-SIB requirements	Jan 2016	1	--	26
Pillar 3 disclosure requirements	Dec 2016	3	9	8
Large exposures	Jan 2018	11	--	2

Source: Basel Committee on Banking Supervision, *Progress report on adoption of the Basel regulatory framework*, April 2017, www.bis.org/bcbs/publ/d404.htm.

[10] See www.bis.org/bcbs/publ/d404.htm.

Annex 2: Consistency of regulatory implementation

Since the last update to the G20 Leaders in August 2016, the Committee has published assessment reports for Argentina, China, the European Union, Korea, Indonesia, Japan, Singapore and the United States.[11]

Argentina

Assessment of risk-based capital standards

Based on the amended risk-based capital requirements issued in July 2016, Argentina was considered compliant with the minimum Basel capital standards. Ten of the 11 assessed components of the Basel framework were assessed as compliant.

The Argentinian capital framework benefited from a number of amendments during the course of the RCAP assessment, most of which became effective on 1 July 2016. The additional regulatory initiatives undertaken by the Central Bank of Argentina (BCRA) significantly improved the level of compliance with the Basel minimum standards. In the absence of these reforms, the RCAP assessment would have generated a considerably less positive result.

It should be noted that the implementation of the Pillar 2 framework (supervisory review process) is still recent and its effectiveness will therefore require the BCRA and the banks to build up further experience. However this component has been assessed as compliant, on the basis that the BCRA regulation is considered already binding.

Assessment of liquidity coverage ratio

Overall, Argentina's LCR rules were found to be compliant with the standards prescribed under the Basel LCR framework. All graded components of the LCR framework, including the high-quality liquid assets, the liquidity inflows and outflows and disclosure requirements, are assessed as compliant.

China

Assessment of liquidity coverage ratio

Overall, the Chinese LCR regulations were assessed as compliant with the minimum Basel LCR standard. All graded components of the LCR framework, including the high-quality liquid assets, the liquidity inflows and outflows and disclosure requirements, were assessed as compliant.

[11] All published assessment reports can be found at www.bis.org/bcbs/implementation/rcap_jurisdictional.htm.

European Union

Assessment of liquidity coverage ratio

The European Union's regulations implementing the LCR were assessed as largely compliant with the Basel LCR standard. Three of the components assessed (the definition of high-quality liquid assets, inflows and disclosure) were found to be largely compliant, while the fourth (outflows) was judged to be compliant.

Overall, 20 deviations were identified from the Basel standard, though most of these did not have a material effect on banks' LCRs. One deviation, on the expansion of the definition of high-quality liquid assets to include certain covered bonds and the assets of promotional lenders does lead to a material overstatement of some banks' LCRs. Four other findings were assessed to have the potential to materially affect EU banks' LCRs or disclosures. These relate to the treatment of operational deposits, the recognition of certain asset-backed securities in high-quality liquid assets and the disclosure of LCR as a simple average of month-end observations over the last 12 months, rather than the Basel requirement of an average of daily observations over the last quarter. The materiality of these findings could be reviewed again in future RCAP assessments.

Korea

Assessment of risk-based capital standards

The Korean prudential regulations were assessed as largely compliant with the standards prescribed under the Basel framework. Twelve of the 14 components assessed were judged compliant with the Basel framework, and one component (definition of capital) largely compliant and one component (transitional arrangements) materially non-compliant. The Korean implementation of the detailed requirements of the definition of capital and transitional arrangements are in line with the Basel framework in many respects. Nevertheless, a few but important material deviations would lead to a higher capital base for the affected Korean banks than would be recognised under the Basel standards.

Overall, the Korean authorities have taken a prudential stance in implementing the Basel minimum standards for Pillar 1, which is evidenced by several noteworthy areas of super-equivalence. However, several important elements in the Korean regulation, notably the Pillar 2 capital framework, have only recently been implemented and their effectiveness will require the authorities and the banks to build up further experience. The Pillar 2 framework could be reviewed again in future RCAP assessments.

Assessment of liquidity coverage ratio

Korea's LCR rules were assessed as compliant with the Basel LCR standards, as have all graded components (ie the definition of high-quality liquid assets, the liquidity inflows and outflows and disclosure requirements).

Indonesia

Assessment of risk-based capital standards

Based on amended regulations issued during 2016, the Indonesian prudential framework was assessed as largely compliant with the Basel risk-based capital standards. Six of the underlying components were assessed as compliant and four as largely compliant. The credit risk component was considered materially non-compliant, on account of two material differences between the Basel and Indonesian frameworks. First, the Indonesian rules assign a zero risk weight to claims on the Indonesian government, regardless of the currency in which they are denominated or funded, whereas under the Basel framework only exposures denominated in the local currency are eligible for this risk weight. Second, the Indonesian rules assign a lower risk weight than would be permitted under the Basel framework to certain loans to employees and pensioners of state-owned enterprises.

In several places, the Indonesian regulations were less specific than the Basel framework, especially with respect to the treatment of complex financial products. This approach contributes to simpler standards and was judged to be appropriate for the nature of the Indonesian financial system at the time of the assessment. However, this should be reviewed as the financial system develops to ensure that risks are measured properly and adequately capitalised.

Assessment of liquidity coverage ratio

Overall, the LCR regulations in Indonesia were assessed as compliant with the minimum Basel LCR standard. All graded components of the LCR framework were also assessed as compliant.

Japan

Follow-up assessment of risk-based capital standards

Japan was first assessed on its implementation of the risk-based capital standards in 2012. As the Japanese authorities had not implemented the Basel III standards on loss absorbency and capital buffers at that time, it was recommended that these components be assessed in a follow-up assessment.

The capital buffers framework was assessed as largely compliant with the Basel standards. The loss absorbency requirements were considered to have been implemented in line with the Basel standards, which supports a compliant grade for the definition of capital component. This follow-up assessment did not lead to any revision of the overall grade previously assigned. Japan's regulations were therefore assessed to be compliant with the Basel risk-based capital standards.

Assessment of liquidity coverage ratio

The Japanese LCR regulations were assessed as compliant with the minimum Basel LCR standard. All graded components of the LCR framework, including the high-quality liquid assets, the liquidity inflows and outflows and disclosure requirements, were assessed as compliant.

Singapore

Assessment of liquidity coverage ratio

Overall, the LCR regulations in Singapore were assessed as compliant with the minimum Basel LCR standard. All graded components of the LCR framework, including the high-quality liquid assets, the liquidity inflows and outflows and disclosure requirements, were assessed as compliant.

United States

Assessment of liquidity coverage ratio

Overall, the US LCR regulations were assessed as compliant with the minimum Basel LCR standard. All graded components of the LCR framework, including the high-quality liquid assets, the liquidity inflows and outflows and disclosure requirements, were assessed as compliant.

Schedule of completed and upcoming RCAP assessments

RCAP assessments of implementation of Basel III standards (2012–17) — Table 2

Jurisdiction	Risk-based capital	LCR	G-SIB requirements
Argentina	Compliant (September 2016)	Compliant (September 2016)	NA
Australia	Compliant (March 2014)	Under way (September 2017)	NA
Brazil	Compliant (December 2013)	Under way (September 2017)	NA
Canada	Compliant (June 2014)	Under way (September 2017)	NA
China	Compliant (September 2013)	Compliant (June 2017)	Compliant (June 2016)
European Union	Materially non-compliant (December 2014)	Largely compliant (June 2017)	Compliant (June 2016)
Hong Kong SAR	Compliant (March 2015)	Compliant (March 2015)	NA
India	Compliant (June 2015)	Largely compliant (June 2015)	NA
Indonesia	Largely compliant (December 2016)	Compliant (December 2016)	NA
Japan	Compliant (October 2012/December 2016)	Compliant (December 2016)	Compliant (June 2016)
Korea	Largely compliant (September 2016)	Compliant (September 2016)	NA
Mexico	Compliant (March 2015)	Compliant (March 2015)	NA
Russia	Compliant (March 2016)	Compliant (March 2016)	NA
Saudi Arabia	Compliant (September 2015)	Largely compliant (September 2015)	NA
Singapore	Compliant (March 2013)	Compliant (December 2016)	NA
South Africa	Compliant (June 2015)	Compliant (June 2015)	NA
Switzerland	Compliant (June 2013)	Under way (September 2017)	Compliant (June 2016)
Turkey	Compliant (March 2016)	Compliant (March 2016)	NA
United States	Largely compliant (December 2014)	Compliant (June 2017)	Compliant (June 2016)

In addition, preliminary assessments of the European Union and the United States were published in October 2012. These assessments did not assign overall grades.