



Basel Committee on Banking Supervision

BANK FOR INTERNATIONAL SETTLEMENTS

Implementation of net stable funding ratio and treatment of derivative liabilities

October 2017

At its meeting on 4 - 5 October, the Basel Committee on Banking Supervision discussed the net stable funding ratio (NSFR) standard and agreed to allow national discretion for the NSFR's treatment of derivative liabilities. This should facilitate the implementation of the NSFR, which is expected to begin on 1 January 2018.

The NSFR assigns a 20% "required stable funding" factor to derivative liabilities. The Committee has agreed that, at national discretion, jurisdictions may lower the value of this factor, with a floor of 5%.

The Committee is considering whether any further revisions to the treatment of derivative liabilities are warranted, and if so, will undertake a public consultation on any proposed changes.