Basel Committee on
Banking Supervision

LEV

Leverage ratio

LEV90

Transition

This chapter describes transitional arrangements that apply to the leverage ratio buffer requirement for global systemically important banks.

Version effective as of 01 January 2023

First version in the format of the consolidated framework. Sets out the transitional arrangements for the G-SIB leverage ratio buffer introduced in the December 2017 Basel III publication and the revised implementation date announced on 27 March 2020.

BANK FOR INTERNATIONAL SETTLEMENTS

90.1

The leverage ratio buffer requirement on 1 January 2023 shall be based on the Financial Stability Board's 2021 list of global systemically important banks (G-SIBs), based on end-2020 data. For banks that are subsequently identified as G-SIBs or which are no longer identified as G-SIBs, the same transitional arrangements will apply as in the higher loss-absorbency requirement framework.

90.2

The leverage ratio buffer requirement will be updated annually to reflect the annual updated list of G-SIB requirements. G-SIBs subject to a revised higher loss-absorbency requirement would also be subject to a revised leverage ratio buffer requirement, calibrated at 50% of the former requirement. Both requirements would follow the same implementation arrangements. Jurisdictions may impose a higher leverage ratio buffer requirement.