

Basle Committee
on
Banking Supervision

Amendment to the Capital Accord of July 1988

The Basle Committee on Banking Supervision,¹ with the approval of the Governors of the central banks of the Group of Ten countries, and subject to such national consultation as may be necessary in member countries, intends to introduce the following amendments to the Basle Capital Accord² in 1995. The exact date of implementation will be announced after any such consultation has taken place.

Amendment to paragraph 35 of the main text

In the light of these arguments, the Committee has concluded that a defined group of countries should be adopted as the basis for applying differential weighting coefficients, and that this group should be full members of the OECD or countries which have concluded special lending arrangements with the IMF associated with the Fund's General Arrangements to Borrow. This group of countries is referred to as the OECD in the rest of the report. **Any country which reschedules its external sovereign debt is, however, precluded from the defined group for a period of five years.**

Amendment to Footnote 2 of Annex 2

For the purpose of this exercise, the OECD group comprises countries which are full members of the OECD (or which have concluded special lending arrangements with the IMF associated with the Fund's General Arrangements to Borrow), **but excludes any country within this group which has rescheduled its external sovereign debt in the previous five years.**

Basle, July 1994

¹ The Basle Committee on Banking Supervision is a Committee of banking supervisory authorities which was established by the central-bank Governors of the Group of Ten countries in 1975. It consists of senior representatives of bank supervisory authorities and central banks from Belgium, Canada, France, Germany, Italy, Japan, Luxembourg, Netherlands, Sweden, Switzerland, United Kingdom and the United States. It usually meets at the Bank for International Settlements in Basle.

² International Convergence of Capital Measurement and Capital Standards, July 1988.