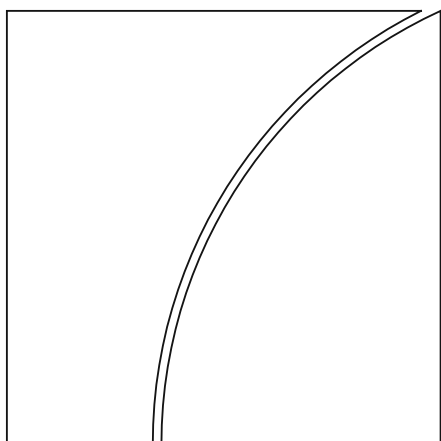


Basel Committee on Banking Supervision



Seventh 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-September 2014. It updates the Committee's previous progress reports, which have been published on a semiannual basis since October 2011.¹

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.² As part of this programme, the Committee periodically monitors the adoption status of the risk-based capital requirements (since October 2011) and the requirements for global and domestic systemically important banks, the liquidity coverage ratio (LCR) and the leverage ratio (since October 2013).³

Regarding the *consistency of implementation*, the Committee has published its assessment reports on seven members (Australia, Brazil, Canada, China, Japan, Singapore and Switzerland) regarding their implementation of Basel III risk-based capital regulations, which are available on its website. Consistency assessments of the European Union and the United States are currently being concluded. The assessments of Hong Kong SAR, India, Mexico and South Africa have begun, and include consistency of implementation of both risk-based capital standards and the Basel III LCR standards. By early 2015, the Committee will have assessed the consistency of risk-based capital standards adopted by 19 of its 27 member jurisdictions and all members who are home jurisdictions for global systemically important banks (G-SIBs).

Regarding the analysis of *regulatory outcomes*, the Committee has conducted additional analytical work on risk-weighted asset (RWA) variation in the banking and trading books, which is envisaged to be published during the first half 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.

¹ Previous progress reports are available at www.bis.org/bcbs/implementation/bpr11.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).

² See BCBS, *Basel III Regulatory Consistency Assessment Programme*, October 2013, www.bis.org/publ/bcbs264.htm.

³ 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 2013. See FSI, *FSI Survey – Basel II, 2.5 and III implementation*, July 2013, www.bis.org/fsi/fsiop2013.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.⁴

- *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, agreed 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.⁵
- *G-SIB framework:* In July 2013, the Committee published the framework on the assessment methodology for global systemic importance and the magnitude of additional loss absorbency that global systemically important banks (G-SIBs) should have. 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 by those authorities 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 will be introduced on 1 January 2015 and will be subject to a transitional arrangement before reaching full implementation on 1 January 2019.⁶

⁴ These standards are available at www.bis.org/bcbs/publications.htm.

⁵ 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.

⁶ In January 2014, the Committee issued final requirements for banks' LCR-related disclosures. Banks will be 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 of the leverage ratio and its components, and will proceed with public disclosure starting on 1 January 2015.
- *Net stable funding ratio*: In January 2014, the Basel Committee issued proposed revisions to the Basel framework's net stable funding ratio (NSFR). In line with the timeline specified in the 2010 publication of the liquidity risk framework, it remains the Committee's intention that the NSFR, including any revisions, will become a minimum standard by 1 January 2018.

Methodology

The information contained in the following table is based on responses from Basel Committee member jurisdictions, and reports the status as of end-September 2014.

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 already 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.⁷

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

⁷ Links to domestic implementation documents are available at www.bis.org/publ/bcbs/b3prog_dom_impl.htm.

⁸ **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	G-SIB / D-SIB requirements	Liquidity (LCR)	Leverage ratio (disclosure requirements)
Argentina	4	4, 1	4	4, 1	4, 1	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.	(4) Methodology for assessing banks' domestic importance already published. ⁹ (1) The higher loss absorbency requirement is expected to be published soon.	(4) Final rule for the supervisory reporting requirement published on 8 November 2013, in effect from 31 March 2014. ¹⁰ (1) Haircuts, caps on inflows and run-off rates within the ranges established in Basel III are expected to be published before 1 January 2015.	(4) Banks will have to comply with the supervisory reporting regime as of the quarter ending 30 September 2014. (3) The information to the public (disclosure requirements) will have to be provided as of the first quarter of 2015. ¹¹
Australia	4	4	4	3, 2	4	2

⁹ See www.bcra.gov.ar/pdfs/marco/D_SIBs.pdf and www.bcra.gov.ar/pdfs/marco/D_SIBs_1.pdf.

¹⁰ See www.bcra.gov.ar/pdfs/comytexord/A5494.pdf and www.bcra.gov.ar/pdfs/comytexord/A5513.pdf.

¹¹ See www.bcra.gov.ar/pdfs/comytexord/A5606.pdf and www.bcra.gov.ar/pdfs/comytexord/A5610.pdf

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	G-SIB / D-SIB requirements	Liquidity (LCR)	Leverage ratio (disclosure requirements)
				<p>(3) 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.</p> <p>(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.</p>	<p>Final prudential standards were issued in December 2013 and came into effect from 1 January 2014.</p> <p>The suite of final reporting standards and forms and instructions was published in April 2014 and came into effect for reporting periods on or after 30 June 2014.</p> <p>Consultation on LCR public disclosure requirements commenced in Q3 2014.</p>	<p>Consultation on the draft prudential standard for the leverage ratio disclosure requirements commenced in Q3 2014.</p>
Brazil	4	4	4	1	2	2
				<p>G-SIB disclosure requirements and D-SIB higher loss absorbency requirements are expected to be issued in the second half of 2014.</p>	<p>Draft regulation issued for public consultation. Final regulation expected to be issued by end-2014.</p>	<p>Draft regulation issued for public consultation. Final regulation expected to be issued by end-2014.</p>

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	G-SIB / D-SIB requirements	Liquidity (LCR)	Leverage ratio (disclosure requirements)
Canada	4	4	4	3, 4	3	2
			Requiring banks to meet an "all-in" basis – thereby meeting 2019 capital levels but phasing out non-qualifying capital instruments. ¹²	(3) Capital rules take effect in January 2016. (4) Final rules issued and additional supervisory expectations and disclosure obligations in effect.	Final guidance issued in May 2014.	OSFI to retain current asset-to-capital multiple until implementation of the leverage ratio in 2015. Draft guidance released in July 2014. Final guidance on the disclosure requirements to be released in September. Final guidance on the minimum requirements to be released in October.
China	4	4	4	4, 1	4	4, 1
				(4) D-SIB surcharge of 1% has been applied to the five largest Chinese banks since 2010. (1) The CBRC is reviewing the specific D-SIB supervisory framework.	The Rule on Liquidity Risk Management of Commercial Banks incorporates the domestic LCR requirement, which is consistent with the 2013 Basel III LCR standard and adopts the same phase-in	(4) A domestic leverage ratio requirement of 4% under Basel III framework has been in effect since 2012. (1) The CBRC will update the leverage ratio requirement in 2014 to adopt the revisions approved by the January

¹² Final rules for the credit valuation adjustment (CVA) issued on 10 December 2012 will come into force on 1 January 2014.

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	G-SIB / D-SIB requirements	Liquidity (LCR)	Leverage ratio (disclosure requirements)
					period as well. The Rule (in Chinese) was published on the CBRC's website on 19 February 2014. The Rule, together with the LCR requirement, has been in effect since 1 March 2014.	GHOS meeting.
Hong Kong SAR	4	4	4, 2	2, 1	2	1
			(4) Final rules on minimum capital standards and associated disclosure requirements took effect on 1 January 2013 and 30 June 2013, respectively. (2) Proposed rules on capital buffers issued in August 2014.	(2) Proposed rules on G-SIB / D-SIB requirements issued in August 2014 (in conjunction with rules on capital buffers). (1) Industry consultation on the proposed D-SIB framework in Hong Kong closed in May 2014.	Proposed rules on LCR issued in August 2014 for consultation.	Rules on disclosure of leverage ratio expected to be issued in 2014.
India	4	4	4	3, 4	3	2
				(3) Final framework for dealing with D-SIBs published in July 2014. (4) There are no Indian 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	Final guidelines issued in June 2014	Guidelines issued in May 2012. Leverage ratio is monitored quarterly with effect from June 2013 at a minimum of 4.5% on the basis of rules published in Basel III text on 16 December 2010. Revised guidelines incorporating

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	G-SIB / D-SIB requirements	Liquidity (LCR)	Leverage ratio (disclosure requirements)
				instructions to make disclosures starting from the financial year ended 31 March 2014.		amendments to leverage ratio framework and disclosure requirements proposed by the Basel Committee in January 2014 will be issued before December 2014.
Indonesia	4	2	4	3, 1	2	2
		Basel 2.5 consultative paper was issued in 2013 to seek the industry's comments despite the fact that securitisation exposures are insignificant and prospects remain highly subdued for any material issuance. Furthermore, currently no bank adopts internal models approach for market risks. In 2014, another consultative paper will be issued to assess the urgency and level of materiality to determine whether or not the authority will need to revise the existing regulation. It is important to note that since the securitisation regulation	Regulation on Basel III capital was issued in 2013 and has been effectively implemented starting January 2014.	(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 methodology of the D-SIB framework was developed in 2013. The final draft of the methodology was not published, but the methodology has been shared with relevant authorities. The Indonesian authorities will coordinate to discuss further follow up on D-SIB framework. A separate regulation will be issued to govern details of the D-SIB	A consultative paper on LCR regulation was issued in September 2014. The authority will simultaneously require some banks to assess their LCR by using data as of 31 December 2014 and report the results to the supervisors to enable them to monitor the impact of LCR implementation in Indonesia. Banks will also be required to publish their LCR on their respective websites. LCR calculation will start by using the December 2014 data and be reported to supervisors in early	Proposed regulation on leverage ratio discussed in Basel III consultative paper was released in June 2012. The proposed leverage ratio regulation in this consultative paper will be revised later in 2014 to align the proposed regulation with the 2014 leverage ratio framework. To monitor the impact of the implementation of leverage ratio in Indonesia the authority will simultaneously require (sample) banks to calculate and disclose their leverage ratio starting on the first reporting period in 2015.

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	G-SIB / D-SIB requirements	Liquidity (LCR)	Leverage ratio (disclosure requirements)
		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 0.07% of total assets of the banking industry.		framework such as an overview of a methodology to designate D-SIBs, details of the application of the capital surcharge etc, with the objective of further clarifying the implementation of D-SIBs surcharge requirements as stipulated in the Basel III capital regulation issued in 2013.	2015, in line with the BCBS timeline.	
Japan	4	4	4, 1	4, 1, 1	2	1
			(4) Final Basel III rule published in March 2012, and implemented in March 2013. (1) Rules covering capital conservation buffer and the countercyclical buffer not yet issued. Draft regulations expected in 2014/15.	(4) Rules requiring public disclosure of 12 indicators for assessing G-SIBs have been finalised and implemented. (1) Rules covering higher loss absorbency requirement for G-SIBs not yet issued. Draft regulations expected in 2014/15. (1) Methodology for identifying D-SIBs and rules covering higher loss absorbency requirement for D-SIBs not yet finalised and	Draft rules for LCR were published for public consultation at the end of July. The rules will be finalised in October.	Draft leverage ratio rules and monitoring frameworks will be published for public consultation in 2014. The rules will be implemented in March 2015.

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	G-SIB / D-SIB requirements	Liquidity (LCR)	Leverage ratio (disclosure requirements)
				issued. Draft regulations expected in 2014/15.		
Korea	4	4	4	4, 1	2	1
			Final rules on minimum capital standards and associated disclosure requirements took effect on 1 December 2013 and 31 December 2013, respectively.	(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 being developed and is not yet finalised.	Draft guideline has been issued and rules on local implementation of LCR will be finalised in Q4 of 2014.	Leverage ratio disclosure requirements according to the Basel rules in January 2014 will be prepared by end-2014 and implemented from 2015.
Mexico	4	4, 1	4, 1	1	1	1
		(1) Of the outstanding regulations, Pillar 2 provisions have been partially implemented. The remaining outstanding regulations will be implemented in 2014.	(1) Rules on banks' exposure to central counterparties (CCPs) and CVA are intended to be implemented during 2014.		Financial authorities will finalise draft regulation during H2 2014. Final rule is intended to be mandatory starting on 1 January 2015 according to Basel schedule.	
Russia	4, 2, 2	4, 2	4, 3, 1	4	2	2
	(4) Simplified standardised approach for credit risk, simplified approach for market risk and the basic indicator approach for operational	(4) Regulations on Pillar 3 disclosure are in force starting from 2014. Final regulation on the revised standardised approach for market risk	(4) Regulation on capital definition and capital adequacy ratios (except for the securitisation framework)	Regulation on methodology for identifying D-SIBs is in force since February 2014. Special regulation	Reporting requirement on LCR for largest banks in force since July 2014. Final rule on LCR as a prudential ratio to be	Draft regulation on leverage ratio published in July 2013 with the parallel run period commenced in Q3 2013.

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	G-SIB / D-SIB requirements	Liquidity (LCR)	Leverage ratio (disclosure requirements)
	<p>risk implemented. Regulations on Pillar 3 disclosure are in force starting from January 2014.</p> <p>(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 second half of 2014.</p> <p>(2) ICAAP recommendations are implemented. Draft regulations for Pillar 2 were published for public consultation in August 2014. They are planned to be adopted in the second half of 2014.</p>	<p>(except for securitisation exposures and credit derivatives) in force since 1 February 2013.</p> <p>(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 second half of 2014.</p>	<p>implemented since 1 January 2014.</p> <p>(3) Rules for CVA capital charge (under the standardised approach) published in November 2013. Starting from February 2014, Russian banks provide data on CVA to the Bank of Russia for monitoring purposes. CVA capital charge will come into force as a prudential requirement starting from October 2014.</p> <p>(1) Rules on capital buffers are being developed.</p>	<p>approaches are being developed.</p>	<p>published in Q4 2014.</p>	
Saudi Arabia	4	4	4	2 (DSIBs)	4	3
				<p>D-SIB framework has been finalised and the relevant regulations will be issued for implementation by January 2016.</p>	<p>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</p>	<p>SAMA issued its consultative draft document concerning leverage ratio framework and disclosure requirements on 17 April 2014. This document is expected to be finalised for implementation by mid-September 2015.</p>

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	G-SIB / D-SIB requirements	Liquidity (LCR)	Leverage ratio (disclosure requirements)
					10 July 2013.	and ready for implementation by January 2015, in line with BCBS time frame.
Singapore	4	4	4	4, 2	2	4, 2
				(4) The public disclosure and submission requirements for 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.	Draft Notice for implementation of Basel III LCR in Singapore published on 6 August 2014. Final rules expected to be published in Q4 2014.	(4) MAS has published and implemented requirements on the calculation of the leverage ratio and reporting to MAS in MAS Notice 637, based on the rules published in the Basel III text dated 16 December 2010 (revised 1 June 2011). (2) MAS has published a consultation paper on proposed amendments to MAS Notice 637 to implement the leverage ratio disclosure requirements published by BCBS in January 2014. MAS will implement the disclosure requirement from 1 January 2015, in line with BCBS timeline.
South Africa	4	4	4	3	3, 1	3, 1
	The regulations that contain the Basel II, Basel 2.5 and Basel III requirements are		The capital charge for credit valuation adjustment (CVA) risk on all ZAR-	G-SIB / D-SIB requirements are addressed in regulations effected on	(3) LCR requirements are addressed in regulations effected on 1 January 2013, and	(3) A 4% leverage ratio was defined in regulations effected on 1 January 2013. The ratio is

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	G-SIB / D-SIB requirements	Liquidity (LCR)	Leverage ratio (disclosure requirements)
	available on the website of the South African Reserve Bank. ¹³		denominated OTC derivatives and non-ZAR OTC derivatives between domestic entities is zero-rated until 31 December 2014. ¹⁴	1 January 2013 and a subsequent directive specifies the application of the amended capital framework, including the G-SIB / D-SIB ¹⁵ requirements. BCBS timelines are adhered to.	are being monitored. (1) Subsequent BCBS updates are being published in a directive. ¹⁶ BCBS timelines are adhered to.	currently being monitored. (1) Subsequent BCBS updates are being published in a directive. BCBS timelines are adhered to.
Switzerland	4	4	4	4	4, 3	2
				Final rule in force for G-SIBs and D-SIBs.	(4) Requirements for monitoring period for LCR published in Q1 2013. Qualitative requirements for liquidity risk management published in Q1 2013. (3) Ordinance and	All banks report the Basel III leverage ratio the first time for Q3 2014. Disclosure will start in 2015. As of 2015, subject to a one-year transition period, the Swiss G-SIB leverage ratio

¹³ See www.resbank.co.za/publications/detail-item-view/pages/publications.aspx?sarbweb=3b6aa07d-92ab-441f-b7bf-bb7dfb1bedb4&sarblist=21b5222e-7125-4e55-bb65-56fd333371e&sarbitem=5442.

¹⁴ This came about as a result of the extended absence of a domestic central counterparty for domestic OTC derivatives transactions.

¹⁵ The directive is available at www.resbank.co.za/publications/detail-item-view/pages/publications.aspx?sarbweb=3b6aa07d-92ab-441f-b7bf-bb7dfb1bedb4&sarblist=21b5222e-7125-4e55-bb65-56fd333371e&sarbitem=5686.

¹⁶ The directive is available at www.resbank.co.za/publications/detail-item-view/pages/publications.aspx?sarbweb=3b6aa07d-92ab-441f-b7bf-bb7dfb1bedb4&sarblist=21b5222e-7125-4e55-bb65-56fd333371e&sarbitem=5626.

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	G-SIB / D-SIB requirements	Liquidity (LCR)	Leverage ratio (disclosure requirements)
					circular on LCR rules published in July 2014. Regulation in effect as from January 2015.	requirements have to be fulfilled based on the Basel III definition of total exposure.
Turkey	4	4	4	1	4, 3	4, 3
			Final regulations issued in September 2013 and came into force on 1 January 2014.		(4) Final regulation issued. Reporting requirement is effective as of April 2014. (3) Regulatory limit will start from January 2015.	(4) Final regulation issued. Reporting requirement is effective as of January 2014. (3) Regulatory limit will start from January 2015.
United States	4	4	4	1	3	4
	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.	US agencies currently anticipate issuance of a notice of proposed rulemaking and final rule to implement the G-SIB framework by year-end 2014.	US agencies issued a final LCR rule in September 2014. The rule comes into effect 1 January 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 begins 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

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	G-SIB / D-SIB requirements	Liquidity (LCR)	Leverage ratio (disclosure requirements)
						requirements. In September 2014, the US agencies issued a final rule to incorporate the January 2014 Basel Committee revisions to the leverage ratio framework for internationally active banks.
European Union	4	4	4	3, 2	4, 1	4, 1
			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. 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.	(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. (2) Technical standards detailing the G-SIB methodology are being consulted. For national implementation status of G-SIB and D-SIB requirements, see respective EU jurisdictions.	(4) Final liquidity reporting requirement issued. (1) Delegated act for the implementation of the LCR to be adopted by the Commission in early October 2014 for application in 2015 (cf Article 460 Regulation (EU) No 575/2013).	(4) Calculation and reporting requirements applicable since 1 January 2014. Mandatory disclosure of leverage ratio applicable from 1 January 2015 (cf Articles 451 and 521 of Regulation (EU) No 575/2013). (1) Delegated act for the implementation of the leverage ratio as modified by the Basel Committee in January 2014 to be adopted by the Commission in early October 2014 for application in 2015.
Belgium	4	4	(EU: 4) (Nat: 4)	(EU: 3, 2) (Nat: 3)	(EU: 4, 1)	(EU: 4, 1)

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	G-SIB / D-SIB requirements	Liquidity (LCR)	Leverage ratio (disclosure requirements)
			(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 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.	(Follows EU process)	(Follows EU process)
France	4	4	(EU: 4) (Nat: 4)	(EU: 3, 2) (Nat: 3)	(EU: 4, 1)	(EU: 4, 1)
			(Follows EU process) National adoption status of capital conservation buffer and countercyclical capital buffer (CRD IV): Implemented by the text (Ordinance of 20 February 2014) published in the Official	(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 Journal on 21 February 2014. ¹⁸	(Follows EU process)	(Follows EU process)

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	G-SIB / D-SIB requirements	Liquidity (LCR)	Leverage ratio (disclosure requirements)
			Journal on 21 February 2014. ¹⁷			
Germany	4	4	(EU: 4) (Nat: 4)	(EU: 3, 2) (Nat: 3)	(EU: 4, 1)	(EU: 4, 1)
			(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) 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.	(Follows EU process)	(Follows EU process)
Italy	4	4	(EU: 4) (Nat: 4)	(EU: 3, 2) (Nat: 3)	(EU: 4, 1)	(EU: 4, 1)
			(Follows EU process) National adoption status of capital conservation buffer	(Follows EU process) National adoption status of G-SIB / D-SIB requirements (CRD IV):	(Follows EU process)	(Follows EU process)

¹⁸ See www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000028625279.

¹⁷ See www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000028625279.

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital and countercyclical capital buffer (CRD IV): adopted.	G-SIB / D-SIB requirements	Liquidity (LCR)	Leverage ratio (disclosure requirements)
Luxembourg	4	4	(EU: 4) (Nat: 2)	(EU: 3, 2) (Nat: 2)	(EU: 4, 1)	(EU: 4, 1)
			(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) National adoption status of G-SIB / D-SIB requirements (CRD IV): Draft law approved by the government and submitted to the parliament for approval.	(Follows EU process)	(Follows EU process)
Netherlands	4	4	(EU: 4) (Nat: 4)	(EU: 3, 2) (Nat: 3)	(EU: 4, 1)	(EU: 4, 1)
			(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) 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 only be phased in as of 2016.	(Follows EU process)	(Follows EU process)

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	G-SIB / D-SIB requirements	Liquidity (LCR)	Leverage ratio (disclosure requirements)
Spain	4	4	(EU: 4) (Nat: 4)	(EU: 3, 2) (Nat: 3)	(EU: 4, 1)	(EU: 4, 1)
			(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.	(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).	(Follows EU process)	(Follows EU process)
Sweden	4	4	(EU: 4) (Nat: 4)	(EU: 3,2) (Nat: 4, 3, 2)	(EU: 4, 1) (Nat: 4)	(EU: 4, 1)
			(Follows EU process) National adoption status of capital conservation buffer and countercyclical capital buffer (CRD IV): National legislation is in force. The capital conservation buffer is applied in full (no phase-in). The	(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 been given all required mandates. The European G-SII and	(Will follow EU process) The Basel Committee's LCR framework has been adopted in national regulations and is in force. ¹⁹	(Follows EU process)

¹⁹ 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	G-SIB / D-SIB requirements	Liquidity (LCR)	Leverage ratio (disclosure requirements)
			<p>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.</p>	<p>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. (3) Also, the supervisory authority has been given the legal powers to set a systemic risk buffer. It has decided that a systemic risk buffer of 3% CET1 shall be 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.)</p>		
United Kingdom	4	4	(EU: 4) (Nat: 4)	(EU: 3, 2) (Nat: 4, 2)	(EU: 4, 1)	(EU: 4, 1)
			(Follows EU process) National adoption status of capital conservation buffer	(Follows EU process) National adoption status of G-SIB / D-SIB requirements (CRD IV):	(Follows EU process)	(Follows EU process)

Country	Basel II	Basel 2.5	Basel III			
			Risk-based capital	G-SIB / D-SIB requirements	Liquidity (LCR)	Leverage ratio (disclosure requirements)
			<p>and countercyclical capital buffer (CRD IV): Final rules published in April 2014 (see PRA PS 3/14).</p>	<p>(4) G-SIB framework implemented through EBA technical standards, with G-SIB disclosure requirements already in force.</p> <p>(2) The UK D-SIB (O-SII) framework will be developed following the completion of the EBA guidelines on identification of O-SIIs. 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).</p>		