

## **Governors and Heads of Supervision unanimously reaffirm commitment to implementing Basel III framework; reappoint Pablo Hernández de Cos as Chair of the Basel Committee**



Press release | 09 February 2022

- The Basel Committee's oversight body reiterates its commitment to implementing all aspects of the Basel III framework.
- Reappoints Pablo Hernández de Cos as Chair of the Basel Committee for a second term.
- Begins the process for selecting the Chair of the Group of Governors and Heads of Supervision to succeed François Villeroy de Galhau.

The Group of Central Bank Governors and Heads of Supervision (GHOS), the oversight body of the Basel Committee on Banking Supervision, has today reaffirmed its commitment to implementing all aspects of the Basel III framework.

The initial Basel III reforms have played a central role in ensuring that the banking system has thus far remained operationally and financially resilient during the Covid-19 pandemic. Unlike the experience of the Great Financial

Crisis, banks have remained resilient and continued to lend to creditworthy households and businesses.

The Basel III standards that remain to be implemented, as [finalised](#) in 2017, seek to address some of the weaknesses in the regulatory framework that were exposed by the Great Financial Crisis, including by reducing excessive variability in risk-weighted assets and improving the comparability and transparency of banks' risk-based capital ratios. Addressing these weaknesses remains as important today as it was pre-pandemic.

The GHOS reviewed the Basel III implementation status as well as plans under way across all its members. It underscored the importance of ensuring that all aspects of the Basel III framework are implemented in a full, timely and consistent manner to provide a regulatory level playing field for internationally active banks. Members unanimously reaffirmed their expectation of implementing these standards as soon as possible.

To that end, the GHOS tasked the Basel Committee with continuing to monitor the implementation of Basel III as part of its [Regulatory Consistency Assessment Programme](#), including through its regular [monitoring reports](#).

The GHOS also agreed to reappoint Pablo Hernández de Cos, Governor of the Bank of Spain, as Chair of the Basel Committee for a second and final term. Members thanked Hernández de Cos for his Chairmanship of the Committee over the past three years and expressed their best wishes for his continued leadership. Hernández de Cos' second term will commence as of 7 March 2022.

Following his [appointment](#) as Chair of the Board of Directors of the Bank for International Settlements, François Villeroy de Galhau stepped down as Chairman of GHOS. The process for selecting his successor will now be initiated.

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*Note to editors:*

*The Basel Committee is the primary global standard setter for the prudential regulation of banks and provides a forum for cooperation on banking supervisory matters. Its mandate is to strengthen the regulation, supervision and practices of banks worldwide with the purpose of enhancing financial*

*stability. The Committee reports to the Group of Central Bank Governors and Heads of Supervision and seeks its endorsement for major decisions. The Committee has no formal supranational authority, and its decisions have no legal force. Rather, the Committee relies on its members' commitments to achieve its mandate. The Group of Central Bank Governors and Heads of Supervision is chaired by François Villeroy de Galhau, Governor of the Bank of France. The Basel Committee is chaired by Pablo Hernández de Cos, Governor of the Bank of Spain.*

*More information about the Basel Committee is available [here](#).*