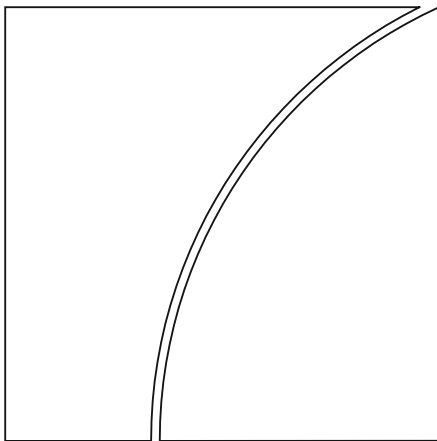


# Basel Committee on Banking Supervision



## Implementation of Basel standards

*A report to G20 Leaders on  
implementation of the Basel III  
regulatory reforms*

November 2018



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## Summary

This report updates G20 Leaders on progress by the 27 member jurisdictions of the Basel Committee on Banking Supervision (BCBS) in implementing the Basel III regulatory reforms.<sup>1</sup> It is the ninth such report,<sup>2</sup> and summarises the outcomes of the Committee's Regulatory Consistency Assessment Programme (RCAP). The RCAP (i) monitors members' progress in adopting the Basel III standards; (ii) assesses the consistency of domestic (national or regional) banking regulations with the Basel III standards; and (iii) analyses the prudential outcomes of those regulations.

Overall, further progress has been made since last year's update to the G20 Leaders in implementing the Basel III standards in a full, timely and consistent manner. In addition, banks have continued to build capital and liquidity buffers while reducing their leverage.

The Basel III standards for capital, liquidity and global systemically important banks (G-SIBs) have generally been transposed into domestic regulations within the time frame set by the Basel Committee. The key components, including the risk-based capital standards and the Liquidity Coverage Ratio (LCR), are now enforced by all member jurisdictions. Further, member jurisdictions continue their efforts to adopt other Basel III standards, including those relating to margin requirements for non-centrally cleared derivatives, the Net Stable Funding Ratio (NSFR), the leverage ratio, revised securitisation framework, standardised approach for measuring counterparty credit risk exposures (SA-CCR), capital requirements for bank exposures to central counterparties (CCPs) and revised Pillar 3 disclosure requirements.

However, challenges remain, in particular regarding the timely regulatory adoption of these standards. While some member jurisdictions have implemented the standards based on the agreed timelines, others have faced delays so that, in many jurisdictions, rules have yet to be finalised or put into effect. Further, some jurisdictions have reported that their implementation of certain standards has been or will be delayed, compared with the implementation dates agreed by the Committee, because of their concerns over the pace of implementation in other jurisdictions. This is notably the case for the NSFR, with only 10 member jurisdictions having final rules in force. Consistent with last year's report, limited progress has been also observed in the implementation of capital requirements for equity investments in funds. Further, a considerable number of Basel standards remain due to be transposed into domestic regulations over the next few years, including the requirements for total loss-absorbing capacity (TLAC) holdings and disclosure, the supervisory framework for measuring and controlling large exposures (LEX), and the final Basel III reforms. In December 2017, the Group of Governors and Heads of Supervision (GHOS) finalised these reforms and members reaffirmed their expectation of full, timely and consistent implementation of all elements of the package that includes the following elements:

- a revised standardised approach for credit risk, which will improve the robustness and risk sensitivity of the existing approach;
- revisions to the internal ratings-based approach for credit risk, where the use of the most advanced internally modelled approaches for low-default portfolios will be limited;
- revisions to the credit valuation adjustment (CVA) framework, including the removal of the internally modelled approach and the introduction of a revised standardised approach;

<sup>1</sup> The Basel Committee on Banking Supervision consists of senior representatives of bank supervisory authorities and central banks from Argentina, Australia, Belgium, Brazil, Canada, China, France, Germany, Hong Kong SAR, India, Indonesia, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, Russia, Saudi Arabia, Singapore, South Africa, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States.

<sup>2</sup> The Committee's previous update to the G20 Leaders was in July 2017. This and other updates to the G20 are available at [www.bis.org/bcbs/impl\\_moni\\_g20.htm](http://www.bis.org/bcbs/impl_moni_g20.htm).

- a revised standardised approach for operational risk, which will replace the existing standardised approaches and the advanced measurement approaches;
- revisions to the measurement of the leverage ratio and a leverage ratio buffer for G-SIBs, which will take the form of a Tier 1 capital buffer set at 50% of a G-SIB's risk-weighted capital buffer; and
- an aggregate output floor, which will ensure that banks' risk-weighted assets (RWAs) generated by internal models are no lower than 72.5% of RWAs as calculated by the Basel III framework's standardised approaches. Banks will also be required to disclose their RWAs based on these standardised approaches.

The revised standards will take effect from 1 January 2022. The output floor will then be phased in over five years. As the implementation of these standards will make the capital framework more robust and improve confidence in banking systems, it is critical to maintain momentum.

Delayed implementation may have implications for the level playing field, and puts unnecessary pressure on jurisdictions that have implemented or plan to implement the standards based on the agreed timelines. A concurrent implementation of global standards is all the more important, as many jurisdictions serve as hosts to internationally active banks.

The Committee urges member jurisdictions to complete the implementation of standards whose implementation date has already passed and to start the process of transposing the final Basel III reforms into their domestic (national or regional) banking regulations. In order to maximise the benefits of these reforms, the Basel Committee will continue to closely monitor the implementation and impact of its standards and report to the G20 on progress.

Regarding the *consistency of regulatory implementation*, the Committee has published its assessment reports on all 27 members regarding their implementation of Basel risk-based capital and LCR standards. Further, assessments of implementation of the Basel G-SIB framework were published in June 2016, covering the five jurisdictions that were home to G-SIBs at that time. These reviews have shown that the domestic regulations are generally consistent with Basel III standards, while further consistency may be achieved in some jurisdictions. Importantly, most member jurisdictions have actively rectified observed deviations by amending their domestic regulations in the course of the assessment.

In 2018, the Committee has started assessing the consistency of implementation of the NSFR and the LEX framework.<sup>3</sup> The first such assessment was of the Kingdom of Saudi Arabia. Overall, the NSFR regulations and the LEX framework in Saudi Arabia were found to be "compliant" with the Basel standards.<sup>4</sup> The Basel Committee plans to complete its review of the implementation of the NSFR and the LEX framework for most member jurisdictions by end-2020.

Regarding the analysis of *regulatory outcomes*, the Committee has published five reports on the regulatory consistency of RWAs in the banking book and in the trading book.<sup>5</sup> Further, the Basel III monitoring exercises show that, in the last five years, the international banking system has made substantial progress in building capital and liquidity buffers. All internationally active banks continue to meet the fully phased-in risk-based minimum capital requirement and the target Common Equity Tier 1 (CET1) capital requirements.

<sup>3</sup> At [www.bis.org/bcbs/implementation/rcap\\_jurisdictional.htm](http://www.bis.org/bcbs/implementation/rcap_jurisdictional.htm).

<sup>4</sup> At [www.bis.org/press/p180927.htm](http://www.bis.org/press/p180927.htm).

<sup>5</sup> At [www.bis.org/bcbs/implementation/rcap\\_thematic.htm](http://www.bis.org/bcbs/implementation/rcap_thematic.htm).

# Progress report on Basel III implementation

## 1. Introduction

The Committee's mandate is to strengthen the regulation, supervision and practices of banks worldwide with the purpose of enhancing financial stability. Its 2018–19 work programme, approved by the GHOS and published in June 2018, thus revolves around four key themes: (i) finalising existing policy initiatives and initiating targeted policy development; (ii) ensuring full, timely and consistent implementation of the Committee's post-crisis reforms; (iii) promoting strong supervision; and (iv) evaluating and monitoring the impact of post-crisis reforms.

This report focuses on the Committee's implementation programme, which consists of:

- (i) monitoring the adoption of Basel III standards;
- (ii) assessing the completeness and consistency of members' regulations vis-à-vis these standards; and
- (iii) analysing the prudential outcomes of those regulations.

## 2. Timely adoption of Basel III standards

### Basel Committee member jurisdictions

Further progress has been made towards implementing the Basel III framework since last year's report:

- all 27 Basel Committee member jurisdictions have final risk-based capital rules, LCR regulations and capital conservation buffers in force;
- 26 member jurisdictions have issued final rules for the countercyclical capital buffers;
- all members that are home jurisdictions to G-SIBs have implemented the Basel framework for G-SIBs and 26 have final rules in force for their domestic systemically important bank (D-SIB) framework;
- 21 member jurisdictions have issued final or draft rules for margin requirements for non-centrally cleared derivatives;
- 20 member jurisdictions have issued final or draft rules for the revised securitisation framework;
- 25 member jurisdictions have issued draft or final rules for the SA-CCR;
- 25 member jurisdictions have issued final or draft rules for the NSFR; and
- 22 member jurisdictions have issued final or draft rules for the revised Pillar 3 requirements.

There has been also progress in implementing standards with deadlines falling within the next six months:

- 15 member jurisdictions have issued draft or final rules for the requirements for TLAC holdings ;
- 21 member jurisdictions have issued draft or final rules for the LEX framework; and

- 21 member jurisdictions have issued draft or final rules for the interest rate risk in the banking book (IRRBB).

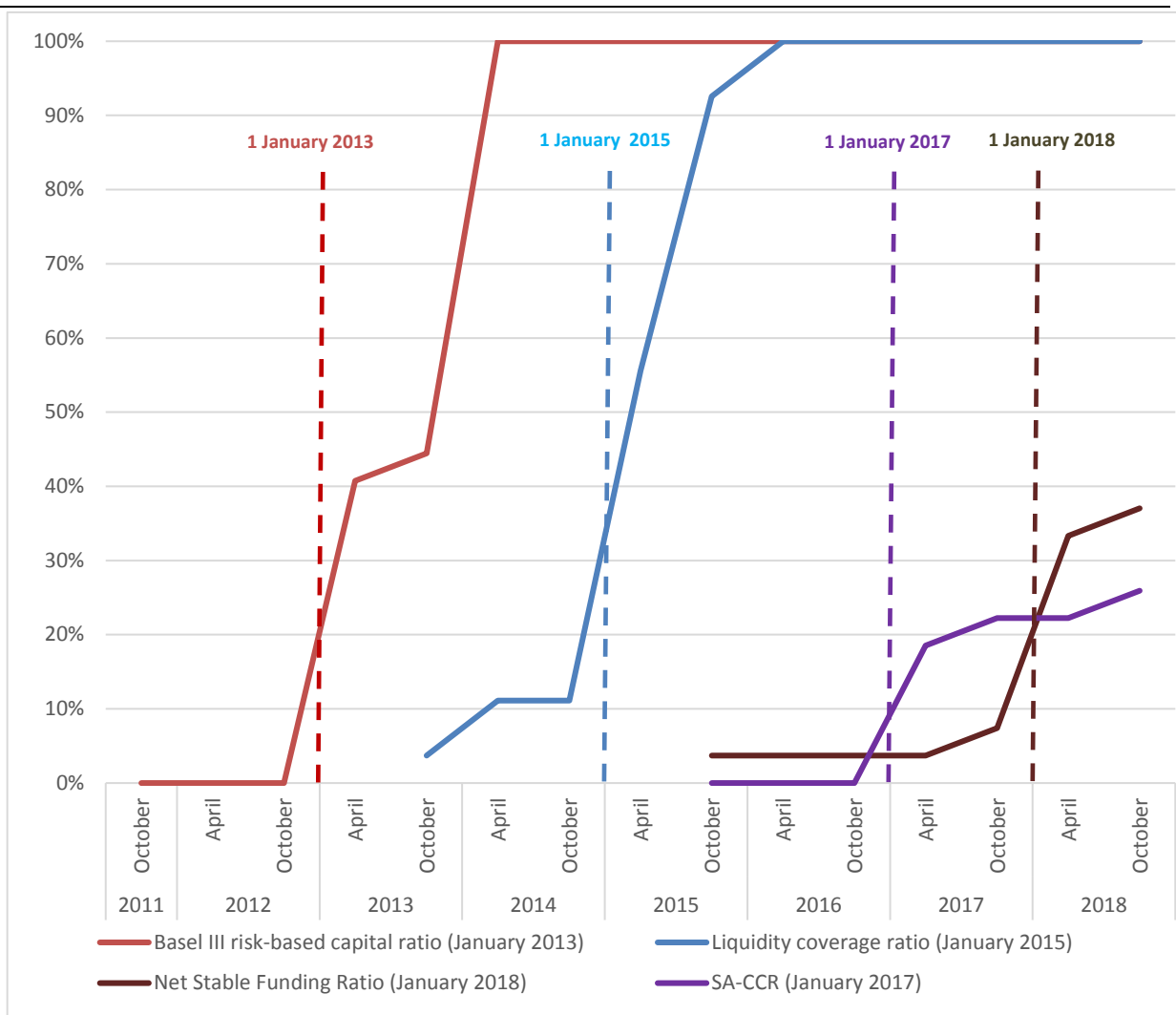
However, limited progress has been observed in the implementation of capital requirements for equity investments in funds.

While members continue their efforts to implement Basel III standards, rules for some standards have not yet been finalised or come into force in many jurisdictions. This is notably the case for the NSFR, with only 10 member jurisdictions having final rules in force. Annex 1 summarises the status of adoption of Basel standards amongst member jurisdictions. Graph 1 below illustrates the progress in implementing major Basel standards since 2011.

### Progress in implementing major Basel standards

Percentage of Basel Committee member jurisdictions in which each standard is in force

Graph 1



The Basel Committee’s agreed implementation dates in parentheses.

Source: Basel Committee monitoring reports on the adoption of Basel standards, [www.bis.org/bcbs/implementation/bpr1.htm](http://www.bis.org/bcbs/implementation/bpr1.htm) and Secretariat’s calculation.

The implementation of Basel III capital and liquidity standards in domestic regulations has generally been timely thus far. However, few revised Basel standards await transposition into domestic



regulations over the next year and, while still committed to implementing them, some jurisdictions report challenges in meeting the agreed implementation deadlines for these standards. These include standards due to be implemented by January 2017 or 2018 but whose implementation has been delayed in many member jurisdictions:

- capital requirements for equity investments in funds (deadline January 2017), with nine member jurisdictions having final rules of these standards in force;
- the SA-CCR and capital requirements for exposures to CCPs (deadline January 2017), with seven member jurisdictions having final rules of these requirements in force; and
- the revised securitisation framework (deadline January 2018), with nine member jurisdictions having final rules of these standards in force.

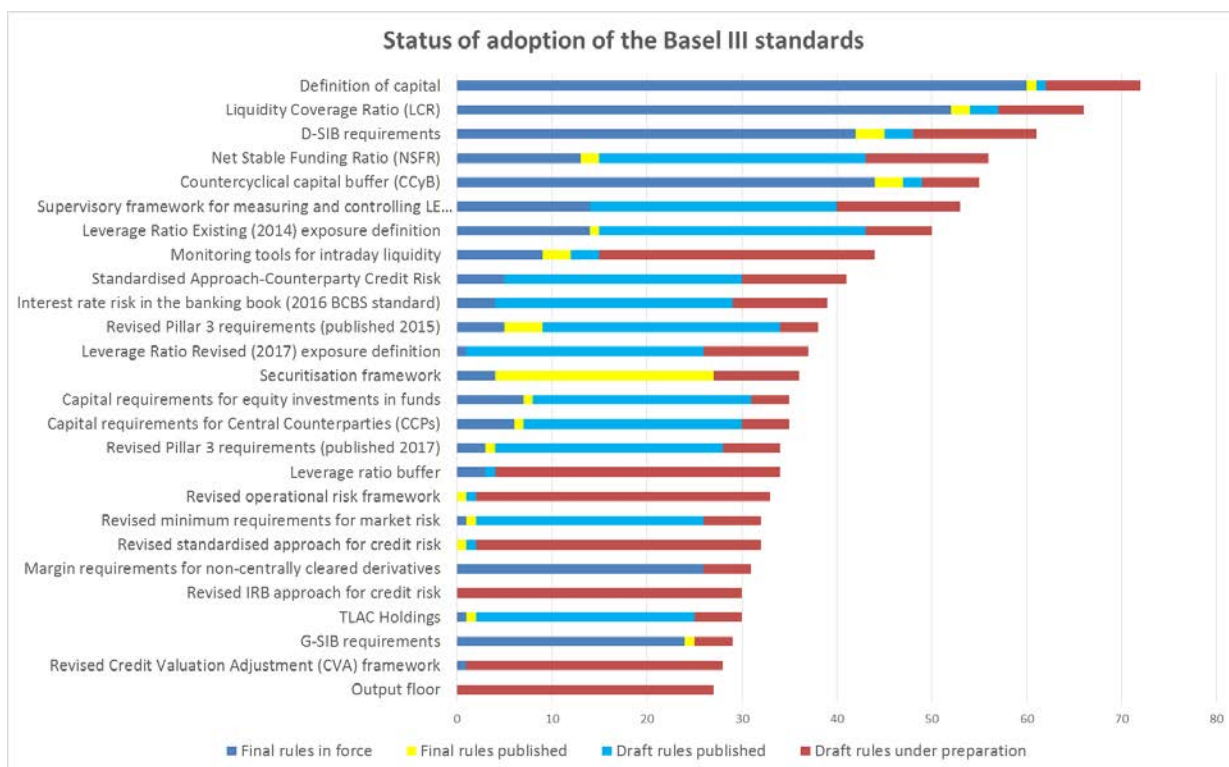
As mentioned in last year's report, these challenges relate in part to domestic legislative or rule-making processes. In addition, some jurisdictions report that banks face difficulties in adjusting their information systems to meet and report on the new requirements. Most member jurisdictions have yet to put final rules for NSFR into effect, a delay that may have a bearing on the level playing field and pace of implementation in other jurisdictions.

The Committee urges member jurisdictions to complete the implementation of standards whose implementation date has already passed and to start the process of transposing the final Basel III reforms into their domestic (national or regional) banking regulations.

The Committee will continue to closely monitor the timeliness of implementation, and report on progress to the G20. Delayed implementation may have implications for the level playing field and puts unnecessary pressure on jurisdictions that have implemented or plan to implement the standards based on the agreed timelines. A concurrent implementation of global standards is all the more important as many jurisdictions serve as hosts to internationally active banks.

### Non-Basel Committee member jurisdictions

Many non-Basel Committee member jurisdictions either have implemented or are in the process of implementing key aspects of the Basel III framework. The latest survey conducted by the Financial Stability Institute (FSI) on Basel prudential standards and the application of proportionality shows that 100 jurisdictions that are not members of the Basel Committee are on their way to implementing Basel III. The survey also reveals that a majority of these jurisdictions are prioritising the implementation of core aspects of the post-crisis regulatory reforms that are embedded in Basel III. These components include the enhancements to the definition of regulatory capital, the global quantitative standards on liquidity risk, the countercyclical and D-SIB capital buffers, and the LEX framework.



Source: Financial Stability Institute.

### 3. Assessments of implementation consistency

The Basel Committee has found further evidence that its members' domestic regulations are generally consistent with Basel III standards. Annex 2 summarises the assessments completed since last year's report and those upcoming. All published assessment reports are available on the Basel Committee's website.<sup>6</sup>

In December 2016, the Basel Committee published the final assessment reports in its review of the consistency of the risk-based capital standards in place in all member jurisdictions. Overall, the risk-based capital standards in 15 jurisdictions have been assessed as compliant, three as largely compliant and nine (assessed as a single jurisdiction) as materially non-compliant.

In October 2017, final assessment reports on the implementation of the Liquidity Coverage Ratio (LCR) in Australia, Brazil, Canada and Switzerland were published, thereby completing reviews of the implementation of the LCR for all member jurisdictions. Overall, the LCR in all 27 jurisdictions has been assessed as compliant (16) or largely compliant (11).

As a result of the assessments, most member jurisdictions have taken commendable actions to increase compliance with the Basel standards. This is evident from the high number of rectifications made during the course of these assessments:

<sup>6</sup> At [www.bis.org/bcbs/implementation/rcap\\_jurisdictional.htm](http://www.bis.org/bcbs/implementation/rcap_jurisdictional.htm).

- the capital framework assessments originally identified more than 1,200 deviations, and members rectified most of them during the assessment; and
- similarly, the LCR assessments identified more than 200 deviations from the Basel LCR framework, and members rectified the vast majority of them.

In March 2018, the Basel Committee published overviews of post-assessment follow-up actions covering all member jurisdictions as of end-December 2017.<sup>7</sup> The follow-up reports summarise the areas in which jurisdictions have taken or plan to take further action to address findings after the assessment. While most member jurisdictions have actively sought to rectify findings during the course of the assessments, further consistency may be achieved in some jurisdictions by addressing material or potentially material findings after the assessments. The Committee expects to continue to publish such follow-up reports annually.

In 2018, the Committee started assessing the consistency of implementation of the NSFR and the LEX framework.<sup>8</sup> The first such assessment was of Saudi Arabia. Overall, the NSFR regulations and the LEX framework in the Kingdom of Saudi Arabia were found to be “compliant” with the Basel standards.<sup>9</sup> The Basel Committee plans to complete its review of the implementation of the NSFR and the LEX framework for most member jurisdictions by end-2020.

## 4. Monitoring and consistency analysis of regulatory outcomes

### Quantitative monitoring of Basel III impact

Regarding the regulatory outcomes, the quantitative monitoring of Basel III regulations shows that banks have continued to build capital and liquidity buffers since last year’s progress report on Basel III implementation. All large internationally active banks participating in the Basel Committee’s quantitative monitoring exercises now meet the Basel III risk-based minimum capital requirement of 4.5% CET1 and the target level CET1 of 7.0% (plus the surcharges on G-SIBs, as applicable).

The average capital ratio of large internationally active banks continued to rise in 2017, while the capital shortfall declined further (Graph 3). The weighted average Basel III leverage ratio for large internationally active banks was 5.8%. With regard to the liquidity standards, the weighted average LCR for large internationally active banks was 133%, and the weighted average NSFR was 116.0% (Graph 4). However, a number of banks still need to increase their liquidity buffer to meet the minimum requirement of 100%. The transitional arrangements for implementing the LCR allow these banks to adjust gradually to the minimum requirements over time.

In the last five years, the international banking system has made substantial progress in building capital and liquidity buffers. Since 2011, the amount of CET1 capital held by large internationally active banks has increased by around 84%, or over EUR 1.67 trillion (end-December 2017 figure), while the leverage ratio has steadily risen (as of end-2017), depicting a considerable reduction in leverage. With

<sup>7</sup> At [www.bis.org/bcbs/implementation/summary\\_pafu.htm](http://www.bis.org/bcbs/implementation/summary_pafu.htm).

<sup>8</sup> At [www.bis.org/bcbs/implementation/rcap\\_jurisdictional.htm](http://www.bis.org/bcbs/implementation/rcap_jurisdictional.htm).

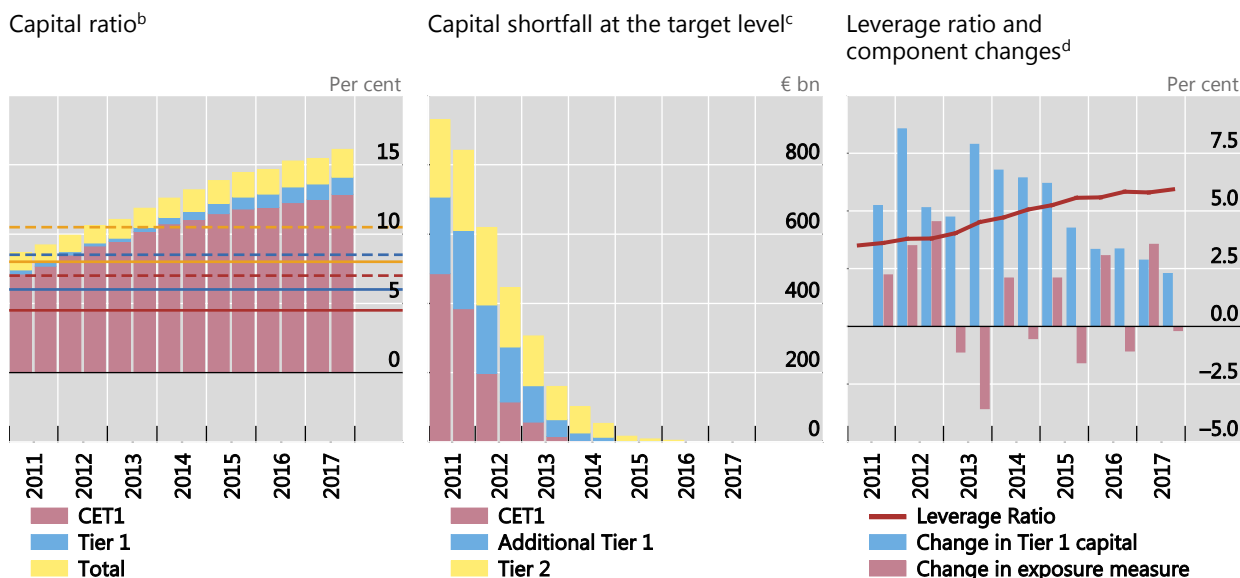
<sup>9</sup> At [www.bis.org/press/p180927.htm](http://www.bis.org/press/p180927.htm).

regard to the LCR, the pool of high-quality liquid assets and inflows<sup>10</sup> have increased by around EUR 4.03 trillion (end-December 2017 figure) since end-2012.

### Average Basel III capital ratios, capital shortfall and leverage ratios (as of end-December 2017)

Fully phased-in Basel III, samples of large internationally active banks<sup>a</sup>

Graph 3



(a) Large internationally active banks are those that have Tier 1 capital of more than EUR 3 billion and are internationally active; 111 such banks took part in the Committee's monitoring exercise at the end-December 2017 reporting date. (b) Consistent sample of 84 banks that provided data for all relevant periods. Solid lines show the relevant minimum ratio, dotted lines the minimum ratio plus the capital conservation buffer. (c) Sample and exchange rates as at the reporting dates. The height of each bar shows the aggregated capital shortfall considering requirements for each tier (ie CET1, Tier 1 and Total) of capital. (d) Tier 1 leverage ratio, consistent sample of 66 banks. The data points for H1 2013 use an approximation for the final definition of the Basel III leverage ratio exposure where gross instead of adjusted gross securities financing transaction values are used.

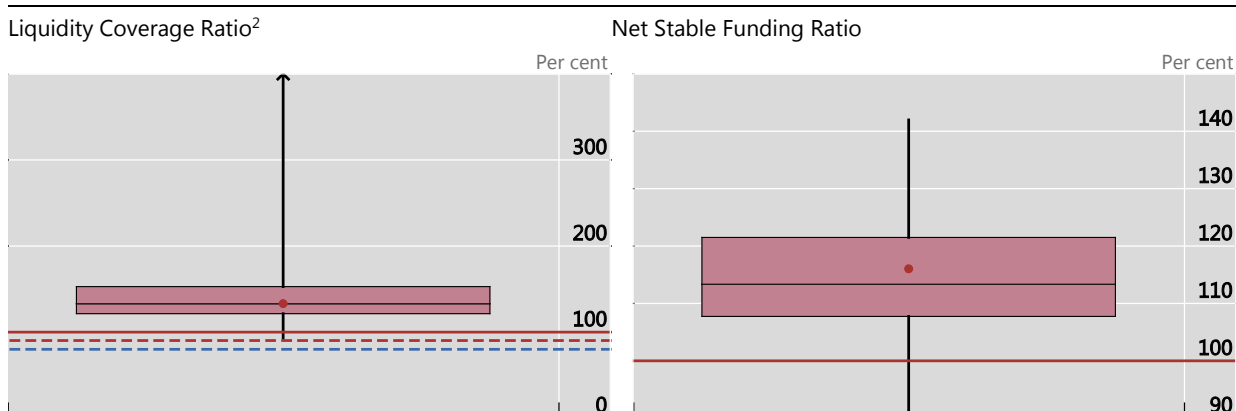
Source: Basel Committee on Banking Supervision, *Basel III Monitoring Report*, October 2018, [www.bis.org/bcbs/publ/d449.htm](http://www.bis.org/bcbs/publ/d449.htm).

<sup>10</sup> Under the LCR, banks must hold a stock of unencumbered high-quality liquid assets (HQLA) to cover the total net cash outflows over a 30-day period under a prescribed stress scenario. The net cash outflows are the total expected cash outflows minus total expected cash inflows in the specified stress scenario for the subsequent 30 calendar days.

## Basel III liquidity ratios (as of end-December 2017)

Sample of large internationally active banks<sup>1</sup>

Graph 4



<sup>1</sup> The median value is represented by a horizontal line with 50% of the values falling in the range shown by the box. The upper and lower end points of the thin vertical lines show the range of the entire sample. <sup>2</sup> The sample is capped at 400%, meaning that all banks with an LCR above 400% were set to 400%. The horizontal red lines represent the 70% minimum (2016, blue dashed line), the 80% minimum (2017, red dashed line) and the 100% minimum (2019, red solid line).

Source: Basel Committee on Banking Supervision, *Basel III Monitoring Report*, October 2018, [www.bis.org/bcbs/publ/d449.htm](http://www.bis.org/bcbs/publ/d449.htm).

## Consistency of regulatory outcomes

The Committee has published five reports on the regulatory consistency of RWAs in the banking book and in the trading book.<sup>11</sup> The findings from these thematic assessments have contributed to the Committee's standard-setting work. The Committee will continue its work to assess the impact of its post-crisis reforms. This will include assessing the effectiveness of these reforms in reducing excessive variability of banks' RWAs.

## 5. The Basel Committee's implementation work plan

The Committee will continue to promote consistency of regulatory implementation across its member jurisdictions. The key elements of the Committee's implementation strategy for 2019 will be to:

- continue monitoring and assessing the impact of the Committee's post-crisis reforms, including the final Basel III reforms endorsed by the GHOS in December 2017. This will include assessing the effectiveness of these reforms in reducing excessive variability of banks' RWAs, in addition to a more general assessment of the extent to which these reforms have achieved their intended objectives;
- assess the implementation of the NSFR and the LEX framework by member jurisdictions with a view to completing most of the review by end-2020 (Annex 3);
- continue the annual review of post-assessment follow-up actions;
- review the methodology for consistency assessments, based on lessons learnt from the assessments; and

<sup>11</sup> Reports are available at [www.bis.org/bcbs/implementation/rcap\\_thematic.htm](http://www.bis.org/bcbs/implementation/rcap_thematic.htm).

- further discuss implementation challenges both with member and non-member jurisdictions, notably through the Committee's Basel Consultative Group.

The Basel Committee has also started reviewing the implementation of the standard on IRRBB and will continue to support national authorities in the implementation and supervision of sound risk management practices by banks. This includes, for example, monitoring the implementation of the principles for effective risk data aggregation and risk reporting and making additional recommendations to banks and supervisors to promote their further adoption.<sup>12</sup>

<sup>12</sup> At [www.bis.org/bcbs/publ/d443.htm](http://www.bis.org/bcbs/publ/d443.htm).

## Annex 1: Regulatory adoption of Basel standards

The following table summarises the status of adoption of the various Basel standards in the 27 Basel Committee member jurisdictions. The information is based on the *Fifteenth progress report on the adoption of the Basel regulatory framework* published in October 2018<sup>13</sup> and the latest updates reported by member jurisdictions since the publication of this report.

All 27 member jurisdictions have final risk-based capital rules, LCR regulations and capital conservation buffers in force, and 26 have issued final rules for the countercyclical capital buffers and for their D-SIB framework. With regard to the G-SIB framework, all members that are home jurisdictions to G-SIBs have the final framework in force. Member jurisdictions continue their efforts to implement other Basel standards.

Adoption status of Basel III				
Number of Basel Committee member jurisdictions				Table 1
Basel standard	BCBS agreed date of implementation	Status		
		Draft rules issued	Final rules issued (not in force)	Final rules in force
Risk-based capital standards				
Definition of capital	Jan 2013	--	--	27
Capital conservation buffer	Jan 2016	--	--	27
Countercyclical buffer	Jan 2016	--	--	26
TLAC holdings	Jan 2019	13	1	1
Market risk capital requirements	Jan 2022	9	1	--
Capital requirements for equity investments in funds <sup>1</sup>	Jan 2017	10	--	9
SA-CCR	Jan 2017	13	5	7
Securitisation framework	Jan 2018	2	9	9
Margin requirements for non-centrally cleared derivatives	Sep 2016	2	1	18
Capital requirements for CCPs	Jan 2017	14	3	7
Liquidity standards				
LCR	Jan 2015	--	--	27
NSFR	Jan 2018	13	2	10
Monitoring tools for intraday liquidity management	Jan 2015	--	2	21
SIB				
G-SIB requirements	Jan 2016	--	--	18

<sup>13</sup> At [www.bis.org/bcbs/publ/d452.pdf](http://www.bis.org/bcbs/publ/d452.pdf).

D-SIB requirements	Jan 2016	--	--	26
Other Basel III standards				
Leverage ratio	Jan 2018	--	--	26 <sup>14</sup>
LEX framework	Jan 2019	15	4	2
IRRBB	2018	14	3	4
Disclosure requirements				
Revised Pillar 3 requirements (Jan 2015)	Dec 2016	11	1	10
Countercyclical buffer, Liquidity, Remuneration, Leverage ratio (revised)	Dec 2017	12	1	6
Key metrics, IRRBB, NSFR	Jan 2018	14	2	3
Composition of capital, RWA overview, Prudential valuation adjustments, G-SIB indicators	Dec 2018	11	4	3
TLAC	Jan 2019	10	4	--
Market risk	Jan 2022	9	2	--

<sup>14</sup> This number includes member jurisdictions whose implementation status is mixed.



## Annex 2: Consistency of regulatory implementation

Since the last update to the G20 Leaders in July 2017, the Committee has published assessment reports for Australia, Brazil, Canada, China, the European Union, Saudi Arabia, Switzerland and the United States.<sup>15</sup>

### Australia

#### Assessment of Liquidity Coverage Ratio

Overall, the LCR regulations in Australia have been assessed as compliant with the Basel LCR standard. The components of the LCR standard for liquidity outflows, liquidity inflows and the LCR disclosure requirements have also been assessed as compliant while the other component, HQLA, was assessed as largely compliant.

### Brazil

#### Assessment of Liquidity Coverage Ratio

Brazil's LCR rules have been assessed as compliant with the Basel LCR standards, as have all graded components (ie the definition of HQLA, the liquidity inflows and outflows and disclosure requirements).

### Canada

#### Assessment of Liquidity Coverage Ratio

Canada's LCR rules have been assessed as compliant with the Basel LCR standards, as have all graded components.

### China

#### Assessment of Liquidity Coverage Ratio

China's LCR rules have been assessed as compliant with the Basel LCR standards, as have all graded components.

<sup>15</sup> All published assessment reports can be found at: [www.bis.org/bcbs/implementation/I2.htm](http://www.bis.org/bcbs/implementation/I2.htm).

## European Union

### Assessment of Liquidity Coverage Ratio

The European Union's LCR framework was assessed as largely compliant with the Basel LCR standards, reflecting the fact that most but not all provisions of the Basel standard were incorporated in the EU LCR framework. The EU framework components for HQLA, inflows and disclosure requirements were assessed as largely compliant while the other LCR component, outflows, was assessed as compliant.

## Saudi Arabia

### Assessment of Net Stable Funding Ratio

The NSFR regulation in the Kingdom of Saudi Arabia was assessed as compliant with the Basel NSFR standard. Each component was also assessed as compliant.

### Assessment of large exposures framework

The large exposures regulation in the Kingdom of Saudi Arabia was assessed as compliant with the Basel LEX standard. Each component was also assessed as compliant.

## Switzerland

### Assessment of Liquidity Coverage Ratio

Switzerland's LCR rules were assessed as compliant with the Basel LCR standards, as were all graded components.

## United States of America

### Assessment of Liquidity Coverage Ratio

The US LCR rules were assessed as compliant with the Basel LCR standards, as were all graded components.

### Annex 3: Schedule of completed and upcoming RCAP assessments

RCAP: assessment of implementation of Basel III standards (2012–21)

Table 2

Jurisdiction	Risk-based capital	LCR	G-SIB requirements	NSFR	Large exposure
Argentina	Compliant (September 2016)	Compliant (September 2016)	NA	Expected publication (H2 2019)	Expected publication (H2 2019)
Australia	Compliant (March 2014)	Compliant (October 2017)	NA	Expected publication (H2 2019)	Expected publication (H2 2019)
Brazil	Compliant (December 2013)	Compliant (October 2017)	NA	Expected publication (H1 2019)	Expected publication (H1 2019)
Canada	Compliant (June 2014)	Compliant (October 2017)	NA	Expected publication (H2 2019)	Expected publication (H2 2019)
China	Compliant (September 2013)	Compliant (July 2017)	Compliant (June 2016)	Expected publication (H2 2019)	Expected publication (H2 2019)
European Union	Materially non-compliant (December 2014)	Largely compliant (July 2017)	Compliant (June 2016)	Expected publication (H2 2020)	Expected publication (H2 2020)
Hong Kong SAR	Compliant (March 2015)	Compliant (March 2015)	NA	Expected publication (H1 2020)	Expected publication (H1 2020)
India	Compliant (June 2015)	Largely compliant (June 2015)	NA	Expected publication (H1 2019)	Expected publication (H1 2019)
Indonesia	Largely compliant (December 2016)	Compliant (December 2016)	NA	Expected publication (H1 2020)	Expected publication (H1 2020)
Japan	Compliant (October 2012 / December 2016)	Compliant (December 2016)	Compliant (June 2016)	Expected publication (H2 2020)	Expected publication (H2 2020)
Korea	Largely compliant (September 2016)	Compliant (September 2016)	NA	Expected publication (H2 2020)	Expected publication (H2 2020)
Mexico	Compliant (March 2015)	Compliant (March 2015)	NA	Expected publication (H2 2020)	Expected publication (H2 2020)

Russia	Compliant (March 2016)	Compliant (March 2016)	NA	Expected publication (H1 2021)	Expected publication (H1 2021)
Saudi Arabia	Compliant (September 2015)	Largely compliant (September 2015)	NA	Compliant (September 2018)	Compliant (September 2018)
Singapore	Compliant (March 2013)	Compliant (December 2016)	NA	Expected publication (H1 2020)	Expected publication (H1 2020)
South Africa	Compliant (June 2015)	Compliant (June 2015)	NA	Expected publication (H1 2021)	Expected publication (H1 2021)
Switzerland	Compliant (June 2013)	Compliant (October 2017)	Compliant (June 2016)	Expected publication (H2 2019)	Expected publication (H2 2019)
Turkey	Compliant (March 2016)	Compliant (March 2016)	NA	Expected publication (H2 2020)	Expected publication (H2 2020)
United States	Largely compliant (December 2014)	Compliant (October 2017)	Compliant (June 2016)	Expected publication (H2 2020)	Expected publication (H2 2020)

In addition, preliminary assessments of the European Union and the United States were published in October 2012. These assessments did not assign overall grades.