



NEWS RELEASE

Comptroller of the Currency
Administrator of National Banks

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Bank and Thrift Agencies to Seek Comment On Proposals for U.S. Implementation of Basel II

WASHINGTON, DC – The Office of the Comptroller of the Currency joined with the other federal bank and thrift regulatory agencies today in releasing three documents related to the U.S. implementation of the Basel II Capital Accord.

The documents include:

- [An Advance Notice of Proposed Rulemaking \(ANPR\)](#), describing possible changes to existing capital adequacy regulations;
- [Proposed guidance on supervisory expectations for banking organizations adopting the advanced internal-ratings based approach \(A-IRB\) for commercial credit exposures](#); and
- [Proposed guidance for banking organizations adopting the advanced measurements approaches \(AMA\) for operational risk exposures](#).

The three documents will be published in the Federal Register, and public comments will be accepted for 90 days after publication.

Comptroller of the Currency John D. Hawke, Jr. noted that the proposals issued today are subject to change.

“Let me be clear that the OCC -- which has the sole statutory responsibility for promulgating capital regulations for national banks -- will not begin implementing a final revision to the Basel capital framework until we have fully considered all comments received and conducted whatever cost-benefit and impact analyses are required,” Mr. Hawke said in a statement issued today.

“If we determine through this process that changes to the proposal are necessary, we will not approve any revisions to our capital rules until appropriate changes are made,” he added.

The three issuances represent the first official step toward U.S. implementation of work that the Basel Committee on Banking Supervision began four years ago to develop a more detailed and risk sensitive capital adequacy framework to replace the 1988 Capital Accord. The issuances were developed from the Basel Committee’s third consultative

paper, which was issued on April 29.

The three documents are designed to provide a clear articulation of the regulatory and supervisory requirements of a Basel II-based regime in the U.S.; to solicit comment from the banking industry and other interested parties on the practical consequences of such a regime; and to position the U.S. agencies to make necessary changes to the proposal at the international level.

The documents approved today are available at the OCC's website at www.occ.treas.gov.

The Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation and the Office of Thrift Supervision also plan to seek comment on the three issuances.

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The OCC charters, regulates and examines approximately 2,100 national banks and 52 federal branches of foreign banks in the U.S., accounting for more than 55 percent of the nation's banking assets. Its mission is to ensure a safe and sound and competitive national banking system that supports the citizens, communities and economy of the United States.

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