

## Chapter 8

# Group risk consolidation



## Non-EEA regulators' requirements deemed CRD-equivalent for individual risks

Part 1 (Non-EEA banking regulators' requirements deemed CRD-equivalent for individual risks)

Regime regulators	Market risk	Credit risk	Operational Risk
<b>USA</b>	√	X*	X
Office of the Comptroller of the Currency	√	X*	X
Board of Governors of the Federal Reserve System			
* a US banking subsidiary will be deemed equivalent for credit risk if:			
• it is categorised as well capitalised: and			
• it scales up its US Basel 1 credit risk requirement by 25%			
<b>Australia</b>	√	√	X
Australian Prudential Regulation Authority [APRA]			
<b>Canada</b>	√	√	√
Office of the Superintendent of Financial Institutions [OSFI]			
<b>Switzerland</b> Swiss Financial Market Supervisory Authority [FINMA]	√	√ See note 2	√
<b>Japan</b>	√	X	X
Financial Services Agency, Japan [JFSA]			
<b>South Africa</b>	√	√	√
South African Reserve Bank [SARB]			
<b>Hong Kong</b>	√	√	√
Hong Kong Monetary Authority [HKMA]			
<b>Singapore</b>	√	√	√
Monetary Authority of Singapore [MAS]			

Regime regulators	Market risk	Credit risk	Operational Risk
<b>India</b>	√	√	√
Reserve Bank of India [RBI]			
<b>Korea</b>	√	X	X
Financial Supervisory Service [FSS]			
<b>Jersey</b>	√	√	√
<b>Guernsey</b>	X	√	√
<b>Isle of Man</b>	X	√	√

Note 1: A √ denotes that the requirements have been assessed as equivalent to *EEA* standards.  
A X denotes that the requirements have been assessed as not being equivalent to *EEA* standards.

Note 2: √ International standardised approach only. The treatment of the Lombard loans is not equivalent and they must be treated under the *appropriate regulator's rules*.

Part 2 (Non-EEA investment firm regulators' requirements deemed CRD-equivalent for individual risks)

Regime regulators	Market risk	Credit risk	Operational Risk
<b>Australia</b>	√	X	X
Sydney Futures Exchange	√	X	X
Australian Stock Exchange			
<b>Canada</b>	√	X	X
Ontario Securities Commission	√	X	X
Quebec Securities Commission	√	X	X
British Columbia Securities Commission	√	X	X
Alberta Securities Commission			
Investment dealers Association of Canada			
<b>Hong Kong</b>	√	X	X
Hong Kong Monetary Authority [HKMA]	√	X	X
Hong Kong Securities and Futures Commission			
<b>Japan</b>	√	X	X
Financial Services Agency, Japan [JFSA]			
<b>Singapore</b>	√	X	X
Monetary Authority of Singapore [MAS]	√	X	X

Regime regulators	Market risk	Credit risk	Operational Risk
Stock Exchange of Singapore			
<b>South Africa</b>	√	X	X
South African Futures Exchange	√	X	X
Johannesburg Stock Exchange	√	X	X
Bond Exchange of South Africa			
<b>Switzerland</b>	√	√ Note 2	√
Swiss Federal Banking Commission [EBK]			
<b>USA</b>	√ Note 3	√	X
Securities & Exchange Commission (SEC): Net Capital rule only	√	X	X
Commodities and Futures Trading Commission			

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A X denotes that the requirements have been assessed as not being equivalent to *EEA* standards.  
Note 2: √ International standardised approach only. The treatment of Lombard loans is not equivalent and they must be treated under the *appropriate regulator's rules*.  
Note 3: √ Where entities are subject to a local regulatory capital requirement.