

## Corporate & Financial Weekly Digest

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### U.S. Banking Agencies Support Basel Agreement

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On September 12, the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation (the Banking Agencies) released a statement in support of the agreement reached at the meeting of the G-10 Governors and Heads of Supervision regarding the recommendations made by the Basel Committee on Banking Supervision.

The agreement requires the ten signatory countries to increase the quality, quantity and international consistency of capital; to strengthen liquidity standards; to discourage excessive leverage and risk taking; and to reduce procyclicality in regulatory requirements.

The agreement calls for national jurisdictions to implement the new requirements beginning January 1, 2013, with a phased-in compliance regimen so that institutions have the opportunity to implement the new standards gradually over time.

In their statement of support, the Banking Agencies noted that the strengthening of capital is consistent with the Dodd-Frank Wall Street Reform and Consumer Protection Act and also noted that the Basel Committee continues to develop measures to improve the loss absorbing capacity for systemically important institutions.

For more information, click [here](#).

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