

BANK FOR INTERNATIONAL SETTLEMENTSPress statement by the  
Chairman of the Governors of the Group of Ten

1. In December 1987, with the endorsement of the central-bank Governors of the Group of Ten countries, the Committee on Banking Regulations and Supervisory Practices issued a consultative paper containing proposals for achieving convergence of national supervisory regulations and practices in respect of capital adequacy measurement and standards for banks engaged in international business.
2. At their meeting on 11th July, the Governors had before them a revised version of the December 1987 document. This paper incorporated changes agreed in the Supervisors' Committee as a result of the consultative process. The Governors endorsed the paper, which sets out the details of the agreed framework for measuring capital adequacy and the minimum capital standard which national supervisory authorities represented on the Committee intend to implement in their respective countries within the timescale laid down.
3. The final version of the paper will be available from the Bank for International Settlements and from the banking supervisory authorities in the countries represented on the Committee on Friday, 15th July at 13.00 Central European Time.
4. The Governors believe that this agreement, which is the result of work over several years in Basle, represents a significant step forward in international supervisory co-operation by G-10 countries. It will help to strengthen the soundness and stability of the international banking system and will remove an important source of competitive inequality for banks arising from differences in national supervisory requirements.

11th July 1988