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*Saudi Arabian Monetary Agency*

BANKING CONTROL



From : Saudi Arabian Monetary Agency  
To : All Banks  
Attention : Managing Directors, Chief Executive Officers and General Managers  
Subject : SAMA's Draft Implementation Framework for Banks Comments concerning Basel Committee on Banking Supervision (BCBS) Standards of January 2015 regarding Revised Pillar 3 Disclosure Requirements

We refer to SAMA's Circular # 361000062958 dated 18 February 2015 with regard to the BCBS standards of January 2015 concerning Revised Pillar 3 disclosure requirements. The aforementioned circular was issued for the banks to review this document in order to become familiar with the rules text and start their implementation plans. SAMA through this circular is now issuing for banks comments its Draft Implementation Package comprising of the following documents.

- Part A: General Guidance Notes
- Part B: Specific Guidance Notes
- Part C: Templates ranging from B.1 to B.42

The Basel Committee continues to believe that a common disclosure framework based around Pillar 1 is an effective means of informing the market and allowing market participants to take informed investment decisions. The revised Pillar 3 disclosure requirements contained in this document are based on an extensive review of existing Pillar 3 reports, outreach with market participants and a consultation process extending from June to October 2014.

The Revised Disclosure regime introduces a "hierarchy" of disclosures. These include prescriptive Fixed Form Templates which are to be used for quantitative information that is considered essential for the analysis of a bank's regulatory capital requirements, and Templates with a more Flexible Format which are for information which is considered meaningful to the market but not central to the analysis of a bank's regulatory capital adequacy. Additionally, senior management may accompany the disclosure requirements in each Template with a qualitative commentary that explains a bank's particular circumstances and risk profile.

This document applies to all banks in Saudi Arabia that are subject to Basel III requirements. Banks are expected to review the attached Draft implementation framework comprising of Guidance notes as well as the Disclosure Templates. In this respect, banks should submit their comments by 16 August 2015.

  
**Osamah M. Shaker**  
Director General of Banking Control

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