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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 : **The Basel Committee on Banking Supervision (the BCBS)
Document entitled Progress in Adopting the Principles for
Effective Risk Data Aggregation and Risk Reporting issued in
January 2015**

The *Principles for effective risk data aggregation and risk reporting* (the "Principles") were issued by the Basel Committee on Banking Supervision in January 2013. The Principles aim to strengthen risk data aggregation and risk reporting practices at banks to improve risk management practices. In addition, improving banks' ability to rapidly provide comprehensive risk data by legal entity and business line is expected to enhance both their decision-making processes and their resolvability.

The Principles are initially applicable to systemically important banks (SIBs) and apply not only at the group level but also to all material business units or entities within the group. National supervisors may nevertheless choose to apply the Principles to a wider range of banks. In this respect, the BCBS and the Financial Stability Board (FSB) expect banks identified as global systemically important banks (G-SIBs) to comply with the Principles by 1 January 2016. In addition, the BCBS strongly suggests that national supervisors also apply the Principles to banks identified as domestic systemically important banks (D-SIBs) three years after their designation. To facilitate consistent and effective implementation of the Principles among G-SIBs, it was decided to use a coordinated approach for national supervisors to monitor and assess banks' progress until 2016.

In this respect, this report compares the response of the 30 G-SIBs that participated in the initial 2013 stock taking with the response of the the 2014 questionnaire.

Banks are expected to study the text of this report and be fully aware with regard to its content and be prepared for its implementation in 2016. This circular is relevant to D-SIBs in Saudi Arabia, which according to SAMA circular # 351000138356 dated 5 November 2014 will be identified prior to 2016.

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