



PRESS RELEASE

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Pablo Hernández de Cos, new Chair of the Basel Committee on Banking Supervision

The Governor of the Banco de España, Pablo Hernández de Cos, has been elected Chairman of the Basel Committee on Banking Supervision (BCBS) by the Group of Governors and Heads of Supervision¹, presided by Mario Draghi. Pablo Hernández de Cos replaces Stefan Ingves, the Governor of the Central Bank of Sweden, in this position. Chairmanship of the Committee is for a period of three years that can be renewed once.

The BCBS commenced operating in 1975 and the Banco de España has been a fully fledged member since February 2001. Currently, it comprises 45 members (central bank governors and authorities with banking supervision responsibilities) from 28 jurisdictions², as well as 9 observers, from both jurisdictions and international agencies.

The Committee is responsible for designing global banking regulation standards. The standards, which are not legally binding, are implemented in the different jurisdictions relying on the commitment of the members to adopt them, thereby promoting their common application worldwide. At the same time, the Committee is a forum for cooperation on banking supervision. In sum, its main objective is to strengthen banking regulations, supervision and practices at the international level, with a view to enhancing banks' solvency, liquidity, governance and risk management, and to contributing to greater financial stability. Accordingly, the Committee:

- Exchanges information on the banking sector, identifying new risks, and on supervisory practices, so as to promote common understanding and to improve cross-border cooperation.
- Sets global standards for banking regulation and supervision, guidelines and best practices, also addressing regulatory gaps that may pose risks to financial stability.

¹ The Group of Governors and Heads of Supervision (GHOS) is the body that oversees the Basel Committee on Banking Supervision and endorses its major decisions.

² In addition to Spain, the remaining jurisdictions that are Committee members are: Argentina, Australia, Belgium, Brazil, Canada, China, European Union (European Central Bank and Single Supervisory Mechanism), France, Germany, Hong Kong SAR, India, Indonesia, Italy, Japan, Korea, Luxembourg, Mexico, Netherlands, Russia, Saudi Arabia, Singapore, South Africa, Sweden, Switzerland, Turkey, United Kingdom and United States.

- Monitors the implementation of the standards, with the purpose of ensuring their timely, consistent and full implementation, therefore promoting a level playing field.
- Coordinates and cooperates with other institutions that promote international financial standards, and with central banks and supervisors of jurisdictions that are not Committee members.

The BCBS has played a central role promoting regulatory reforms in the wake of the crisis. December 2017 saw the approval and completion of the new regulatory framework commonly known as “Basel III”, whose implementation is one of the core aspects of the Committee’s current work schedule.

The appointment of Pablo Hernández de Cos comes at a particularly significant point in time, when the Basel III reforms must be consistently applied and within the agreed timeframes. Also, the Committee must evaluate the regulatory changes agreed upon, a matter that takes on great importance given the far-reaching extent of the reforms adopted. Finally, the Committee will remain alert ahead of the possibility of new risks emerging, promoting sound banking supervision.³

³ Further information on the BCBS can be found at www.bis.org/bcbs/

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