



PRESS RELEASE

CMF extends public consultation process for Pillar 2 capital requirements for banks

- *The proposal introduces improvements to facilitate the supervisory process and clarify some aspects of capital assessments after two cycles of capital adequacy analysis.*

December 28, 2023 — The Financial Market Commission (CMF) decided to extend until March 15, 2024 the public consultation process for regulatory amendments for the determination of additional regulatory capital requirements derived from the supervisory process, known as Pillar 2 of the Basel III standards.

The proposal improves Chapter 21-13 of the Updated Compilation of Rules for Banks to facilitate the supervisory process and clarify specific aspects of the assessment process. It proposes to:

- Adjust Annex No. 1 on banking book market risks, abolishing the 15-percent CET1 threshold regarding the impact on economic value. This will allow the Commission to impose a capital requirement to ensure full coverage more appropriate to the bank's actual situation.
- Limit the ILAAP's extension.
- Adjust Annex No. 3 and instruct its submission in Excel format.
- Clarify the determination of internal objectives and their connection with the position the CMF may determine, in accordance with article 66 Quinquies of the General Banking Act.
- Correct the reference to the frequency of financial statements to report the level of additional capital requirements under Article 66 Quinquies.

These regulatory amendments will become effective as of the effective equity assessment process from April 2025 onwards.

Interested parties may access the [Draft Rules and Norms section](#) of the CMF website to check the details of the regulatory proposal and submit their feedback. The Commission also makes available the corresponding [Regulatory Report](#) with its core elements.

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