Appendix

Table A1. A Non-Exhaustive List of U.S. Gold-Plating and A Cross-Jurisdictional Comparison (area highlighted in yellow indicates U.S. gold-platings, highlighted in blue indicates EU/UK gold-platings).

Component	Basel	U.S.	EU	UK	Comments
Framework	Dual-stack	Tri-stack	Dual-stack	Dual-stack	Number of capital stacks
Temporary Transitional Arrangements	No	No	Yes[36]	Yes[37]	Allow preferential treatments during transition period
Output Floor	5yrs phase-in, start at 50%	No phase-in, start at 100%	5yrs phase-in, start at 50%	5yrs phase-in, start at 50%	Phase-in arrangement of the output floor
Buffer w/o Risk Double-Count	NA	No	Yes	Yes	With regards to risk double-count in setting capital buffers
GSIB Buffer	Method 1	Max of Method 1 and Method 2	Method 1	Method 1	GSIB surcharge requirements
Other Buffer Requirements DSIB Buffer (or O-SII Buffer)	NA	No	Yes	Yes	Domestic systemic important institutions surcharge
SyRB Buffer	NA	No	Yes	Yes	Other systemic risk surcharge
Capital Conservation Buffer	2.5%	SCB ≥ 2.5%	2.5%	2.5%	Capital conservation buffer requirements
Pillar 2 Requirement	NA	No (reflect via CAMELS)	Yes	Yes	Apply Pillar 2 capital requirements
Leverage Ratio	3% + 50% GSIB Surcharge as applicable	3% + 2%	3% + 50% GSIB Surcharge as applicable	3% + 50% GSIB Surcharge as applicable	Leverage ratio and buffer requirements
Credit Risk – Allow Models	Yes	No	Yes	Yes	Allow banks' internal models for capital requirements

[36] Transitional arrangements include (1) unrated corporates, (2) SA-CCR calibration, (3) residential real estate, and (4) output floor calibration. https://www.eba.europa.eu/sites/default/documents/files/document_library/Publications/Reports/2023/Basel%20III%20monitoring%20report/1062188/Annex%20to%20Basel%20III%20monitoring%20report%20as%20of%20December%202022%20-%20EU-specific%20Analysis.pdf

[37] Transitional arrangements include (1) equity exposures under both SA and IRB, (2) SA-CCR calibration, (3) CVA capital requirements, and (4) output floor calibration. https://www.bankofengland.co.uk/prudential-regulation/publication/2022/november/implementation-of-the-basel-3-1-standards

	Other Topics		65% risk weight for IG with public listed security	65% risk weight for IG with public listed security	65% risk weight for all IG for output floor purpose till 2032 w. potential 4yrs extension	65% risk weight for all IG for output floor purpose till 2030	Treatment of unrated corporates
	Other Topics		Securitization SEC-SA p=1	Securitization SEC-SA p=1	Securitization SEC-SA p=0.25 for STS securitization and p=0.5 for non-STS securitization for output floor purpose	Securitization SEC-SA p=0.5 for STS securitization and p=1 for non-STS securitization • Consult on Pillar 1 capital	Standardized approach for securitization positions
	Other Topics		Residential real estate risk weight Basel	Residential real estate risk weight Basel+20%	Preferential treatment for residential mortgage during transition	Residential real estate risk weight Basel	Treatment of residential real estate exposures
Market Risk	Allow Models	General Market Risk	Yes	Yes	Yes	Yes	Allow banks' internal models for capital requirements
Market Risk	Allow Models	Issuer Default Risk	Yes	No	Yes	Yes	Allow banks' internal models for capital requirements
Operational Risk			ILM<=>1	ILM≥1	ILM=1	ILM=1	Setting of internal loss multiplier of the B3E operational risk framework
CVA Risk	End-User Exemption		No	No	Yes	No	Exempt commercial end-users from CVA capital requirements

	Cleared Derivatives Exemption	Yes	No[38]	Yes	Yes	Exempt centrally cleared derivatives from CVA capital requirements
CCR Risk	Allow Models	Yes	No	Yes	Yes	Allow banks' internal models for capital requirements
	SA-CCR Preferential Treatment	No	α=1 for commercial end-users	α=1 for non-financial corporations and pension funds	α=1 for all counterparties for output floor purpose	Preferential treatment for certain counterparties under the SA-CCR rule
	SFT Haircut Floor	Yes	Yes w. indications of gold-plating	No	No	Implementation of the SFT minimum haircut floor framework

[38] Under the current U.S. capital rules, centrally cleared derivatives (i.e., CCP-facing) are exempt from minimum capital requirements for CVA risk, but client-facing leg of the client cleared derivatives are considered as OTC derivatives and subject to CVA capital requirements. Additionally, large U.S. banks are required to calculate CVA stress losses for purpose of the stress capital buffer requirement.