

**QUESTIONNAIRE ON BANKS' APPROACHES TO IMPLEMENTATION OF THE
NEW BASEL CAPITAL ACCORD**

This Office is currently in the process of determining its resource requirements for the implementation of the New **Basel** Capital Accord ("**Basel II**"). To assist this Office with its planning, we would be grateful if you could complete the attached questionnaire and return it to Dr Riaan Hattingh of this Office by e-mail (Riaan.Hattingh@resbank.co.za) by no later than Wednesday, 19 November 2003.

You should note that we will regard the answers given to the questionnaire as an indication of banks' current thinking and not as a commitment to adopt any of the approaches indicated.

Name of Bank:

Credit risk

Please tick the appropriate box

	Zero	Unlikely	Likely	Certain
1. What is the likelihood of your bank considering the use of the a) Simplified Standardised approach b) Standardised approach on inception of the new Accord?				
2. What is the likelihood of your bank wanting to use Internal Ratings Based ("IRB") approaches from commencement of the new capital framework ('Day 1')?				
3. Assuming that you are on IRB at Day 1, what is the likelihood of your wishing to use the Advanced, as opposed to Foundation methodologies, for those exposure classes where this distinction exists?				
4. If partial use (i.e. for certain portfolios) of the IRB approach was available, how likely are you to exercise this option?				
5. If the partial use option was available for the IRB approach, which portfolios below would require model approval for use as from Day 1? a) Corporate b) Bank c) Sovereign d) Retail e) Equity f) Specialised Lending g) Securitisation				
6. If you are not on IRB at Day 1, what is the likelihood of your wishing to commence use of the IRB approaches at a later date?				

7. If it is more than likely that you will want to use IRB approaches at a later date, can you provide an estimate of the later date(s) you have in mind?

8. What are the main factors that might make you more or less likely to pursue IRB recognition?

Operational Risk

	Zero	Unlikely	Likely	Certain
1. What approach would your bank most likely use for measuring operational risk from commencement of the new capital framework ('Day 1')? a) Basic Indicator Approach b) Standardised Approach c) Advanced Measurement Approach				
2. If partial use of the advanced measurement approaches were permitted, how likely is it that you would take advantage of this arrangement?				
3. If you are not on either the standardised or advanced measurement approaches at Day 1, what is the likelihood of your wishing to commence use of one of these approaches at a later date?				

4. If it is more than likely that you will want to use either the standardised or advanced measurement approaches at a later date, which approach is it more likely to be?
5. If it is more than likely that you will want to use either the standardised or advanced measurement approaches at a later date, can you provide an estimate of the later date(s) you have in mind?
6. What are the main factors that might make you more or less likely to wish to adopt the standardised or advanced measurement approaches?

Other

7. Please provide any other information that you feel may be relevant to the South African Reserve Bank in interpreting your answers to these questions.
8. Please provide a contact point for future questions of this kind.