



BANK OF MAURITIUS

Website: <https://www.bom.mu>

Communiqué

Domestic-Systemically Important Banks

In June 2014, the Bank issued the ***Guideline for Dealing with Domestic-Systemically Important Banks (D-SIBs)*** which sets out the methodology to be applied for assessing the systemic importance of banks and the ensuing capital surcharge to be maintained by them. A first assessment was carried out in 2014 and five banks were identified as D-SIBs, namely, The Mauritius Commercial Bank Ltd, SBM Bank (Mauritius) Ltd, Barclays Bank Mauritius Limited, The Hongkong and Shanghai Banking Corporation Limited and AfrAsia Bank Ltd.

The assessment consisted of identifying those banks whose Segment A (domestic) assets represented at least 3.5% of GDP at market prices. Once these banks were identified, their importance in terms of five key indicators, namely, size, exposure to large groups, interconnectedness, complexity and substitutability were computed on the basis of data provided.

The second exercise for the determination of domestic-systemically important banks has been conducted on the basis of figures as at end-June 2015. The list of systemically important banks has remained unchanged.

These D-SIBs would be required to hold a capital surcharge ranging from 1.0% to 2.5% of their risk weighted assets depending on their systemic importance.

The assessment of each bank will be carried out every year based on the end-June figures so as to identify domestic banks which are systemically important.

Bank of Mauritius

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