Index

APB 211–12, 387–90
Arthur Andersen review 156, 157–9
auditors, regulation of 387–90
auditors, role of
post-Barings 156–8, 212
post-BCCI 134, 211–12
prior to introduction of the Banking Act (1987) 30–36
authorization procedures
under the Banking Act (1979) 31
under the Banking Act (1987) 37, 216–43, 352
appeals procedures 242–3
revocation procedures 240–42
Baestaens 247
Banco Ambrosiano Holdings affair 11–12
impact on the Basle Concordat 12
Bank of Credit and Commerce International (BCCI) affair 121–34
impact on domestic supervisory practice 129–34
impact on international supervisory arrangements 12–16, 117, 132–4, 364
Bank of England Act (1946) 3
bank ownership ‘rules’ 28, 357–9, 405
Bankhaus I.D. Herstatt, collapse of 9
impact on domestic supervisory practice 9–10
impact on international supervisory practice 9–11
Banking Act (1979) 8, 27–9, 30
Banking Act (1987), 30, 34, 36–9, 92, 205, 211, 216, 222
banking groups, supervision of 361–73
Bank’s approach 367–73
EU approach 365–7
IOSCO principles 362–5
Barcroft, P. 80
Barings affair 97, 135–61
implications for domestic supervisory practice 156–61
Basle Committee initiatives
capital accord 45–80
core principles for effective banking supervision 83–8
interest rate risk management principles 80–82
promulgation of the Basle Concordat 9–26
Basle Concordat 9–26
original (1975) version 11
1983 revision 11–12
1992 (BCCI) revision 12–16
subsequent developments 16–26, 84–8
Baumol 385
Bingham Report 121, 132–3, 243, 367
BIS 9, 45, 47, 48, 49, 52, 53, 83, 376, 377
Blue Arrow affair 379–80
Board of Banking Supervision establishment of 31–2, 34, 38–9
inquiry into the collapse of Barings 135–56
British and Commonwealth Bank affair 119–20
capital adequacy assessment
during the 1950s and 1960s 4–5
under the Banking Act (1979) 28, 257–61
under the Basle capital accord (1988) 45–80
amendment to accommodate market risk 62–80
recognition of bilateral netting schemes 51–6, 394–5
supervisory treatment of multilateral netting schemes 57-62
undert the EC's Capital Adequacy Directive (1993) 111-17, 268-303
under the EC's Solvency Ratio Directive (1989) 107
recognition of bilateral netting schemes 118
under the US/UK accord (1987) 40-45, 262-3
capital, definition used for regulatory purposes prior to the US/UK accord (1987) 244-7
under the Basle capital accord (1988) 46-7, 247-8
as amended to accommodate market risk (1996) 70-71
under the EC's Capital Adequacy Directive (1993) 112-13
under the EC's Own Funds Directive (1989) 103-6, 249-52, 391
under US/UK accord (1987) 41-2, 247
Clarotti, P. 118
Committee on Corporate Governance 213
Committee on Payment and Settlement Systems 82, 83
Companies Act (1948) 3
Companies Act (1967) 3, 4
Companies Act (1985) 37, 352
consolidated supervision
under the Banking Acts (1979 and 1987) 368
under the EC's Second Consolidated Supervision Directive (1992) 107-8, 366, 368-70, 408-9
Cooke, P. 101
country risk, assessment of 28, 356
Dale, R. 80, 172
Deposit Protection Scheme
amendments made under the Banking Act (1987) 39, 360

original (1982) provisions 28-9, 360
derivatives, supervision of trading/management 376-7
credit derivatives 377
trading abuses 381
Dimson, E. 64
duration 289

EC Directives
Bank Accounts Directive (1986) 102
First Banking Coordination Directive (1977) 8, 99, 100
First Consolidated Supervision Directive (1983) 102
Own Funds Directive (1989) 103-6, 249-52
Exchange Control Act (1947) 3

Fédération des Experts Comptables Européens 387
Financial Action Task Force on Money Laundering 26
Index

Financial Services Act (1986), supervisory implications 91–8
reforms proposed under the Regulatory Reform Bill (1998) 95–8
Financial Services Authority 94, 95, 97, 98, 207, 213, 243, 328, 384–5
under the market risk amendment to the Basle capital accord (1996) 76–7, 298–300

Goldstein, M. 83
Group of Thirty 40, 88–90, 377

Hadjiemmanuil, C. 387
Harrods Bank affair 381
Heimann, J. 88
Henriksen, O. 102

IIF 89, 377
under the market risk amendment to the Basle capital accord (1996) 65–9
international harmonization of banking supervision 40–90
core principles for effective banking supervision 83–8
harmonization of capital adequacy requirements 40–80
under the Basle capital accord (1998) 45–80
under the US/UK accord (1987) 40–45

principles for interest rate risk management (1997) 80–82
proposals for handling settlement risk 82–3
supervision of global institutions 88–90
under the EC’s Single Market programme 99–118
IOSCO 83, 361, 362–5, 377, 407

Jamison, N. 383
Johnson Matthey Bankers affair 30–36
implications for domestic supervisory practice 31–6

Kupiec, P. H. 67

Lamfalussy Report 53, 57
large loan exposures, control of pre-Banking Act (1987) 28, 32–3
under the Banking Act (1987) 37–8, 334–5
under the EC’s Capital Adequacy Directive (1993) 296–8, 336–51
under the EC’s Large Exposures Directive (1992) 108–9, 335–6
lead regulation for internationally-active banks 372–3
under the Financial Services Act (1986) 92–4, 367–8, 371
legal risk, assessment of 374–5
lender of last resort facilities 385–6
Lewis, M. 394
liquidity adequacy assessment during the 1950s and 1960s 4–5
post-January 1996 treatment of large retail banks 304–8
under the Banking Act (1979) 28
under the Banking Act (1987) 304, 308–26

Llewellyn, D. 391
London Approach 382
London Code of Conduct 386
Lord Alexander of Weedon 88
Marsh, P. 64
Memoranda of Understanding
between domestic regulators 92, 97, 155, 214, 390
with overseas supervisors 155, 214–15
monetary controls, prudential impact of 5
money laundering, combat of 378
Moneylenders Acts (1900–1927) 4

O’Brien, J.M. 67
off-site monitoring
pre-Banking Act (1979) 3–5
under the Banking Act (1979) 28
under the Banking Act (1987) 32
Offshore Supervisors Group 16, 20, 24
on-site activities
pre-Banking Act (1979) 3–5
under the Banking Act (1979) 28
under the Banking Act (1987) 32
operational risk, assessment of 374

Price Waterhouse 106, 286
Protection of Depositors Act (1963) 3, 4
provisions, assessment of the adequacy
of 28, 352
in respect of country debt 352–5, 404
RATE assessment model 159–61, 206–7
Reid, M. 6
Revell, J. 99
risk asset ratio, calculation of
prior to the US/UK accord (1987)
257–62
under the Basle capital accord (1988)
45–51
as amended to accommodate market
under the EC’s Capital Adequacy
under the EC’s Solvency Ratio (1989)
and Own Funds Directives
(1989) 103–7, 263–8
under the US/UK accord (1987) 41–5,
262–3

Salt, M. 383
SCALE assessment model 161, 206–7
secondary banking crisis (1973–75) 6–8
impact on domestic supervisory
practice 7–8
securitization, supervisory approach to
378–9
settlement risk, assessment of 82–3,
375–6
settlement systems 82–3
Cedel 83
CHAPS 375–6
CREST 375–6
ECHO 82
Euroclear 83
Multinet 82
TARGET 83
TAURUS 375
Singapore Inspectors’ Inquiry into the
collapse of Barings 135
solo consolidated supervision 153–4
Southern, D. 383
Taylor, M. 159
Treasury and Civil Service Committee
121, 130–31, 149
Tripartite Group (Joint Forum) 83, 372–3
Tugendhat, C. 178
voluntary self-regulation 382–3
Code of Banking Practice 383
Code of Mortgage Lending Practice
95, 383
Code of Practice on the Advertising of
Interest-Bearing Accounts 383
Ombudsman Schemes 383
Walker, G. 370
White Paper on Banking Supervision
(1985) 34–5
White Paper on the Licensing and
Supervision of Deposit-Taking
Institutions (1976) 8

Maximilian J.B. Hall - 9781781954287
Downloaded from Elgar Online at 01/27/2019 03:30:49AM
via free access