



Supervision and Control of Financial Institutions Division

Date: 07-3-2022

Circular no.:11/2022

To: All Banks operating in Qatar

Subject: Capital Base

For the purposes of unification of concepts and assessment methods regarding capital base and supervisory ratios calculation among banks;

QCB decides that the exposure ceilings, concentrations, and supervisory ratios shall be calculated based on capital base as the following:

- Capital base = (capital and reserves (CET1) on consolidated bases as in the quarterly and annual budget revised/audited by the external auditor) + (eligible instruments for additional capital (AT1) QCB determined limits must be maintained)- (total intangible assets) including Goodwill.
- This consolidated capital base shall be applied upon calculating all regulatory ratios, limits, and concentrations, which are measured by capital base excluding capital adequacy ratio (CAR) that shall be calculated as per (CARO's instructions).
- This consolidated capital base shall be applied upon calculating all regulatory ratios, limits, and concentrations at all levels including the bank inside Qatar (local), the bank and its branches outside Qatar (solo), and the bank its branches and subsidiaries inside and outside Qatar (consolidated).

These instructions shall come into force from the date of issuance and banks must notify QCB with any present violation to these instructions within 10 working days to decide the solutions and determine the required time for that.

Best regards



Supervision and Control of Financial Institutions Division

Bandar Bin Mohammed Bin Saoud Al-Thani

Governor