



NR 2014-75

**FOR IMMEDIATE RELEASE**  
**May 28, 2014**

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## **OCC Announces Actions to Respond to International Peer Review Recommendations**

WASHINGTON — The Office of the Comptroller of the Currency (OCC) today announced significant changes intended to strengthen both the supervisory process and the examining force supervising the nation's largest and most complex financial institutions.

To strengthen its supervisory process, the OCC will expand the organization, functions, and responsibilities of its large bank lead expert program to improve horizontal perspective and analysis, systemic risk identification, quality control and assurance, and resource prioritization. To strengthen the examining force, the OCC will establish a formal rotation program for all examiners to provide them with broader, fresh perspectives on a regular basis.

The OCC will also formalize an enterprise risk management framework, that will involve developing a risk appetite statement, creating a decision-tree process, and enhancing the OCC's existing National Risk Committee framework and processes.

The changes announced today stem from an international peer review of the OCC's supervision of large banks and thrifts, initiated at the direction of Comptroller of the Currency Thomas J. Curry. Two separate teams representing a cross section of OCC employees reviewed the peer review recommendations and are developing plans for adopting them.

"The changes announced today will enhance the agency's expert supervision of the nation's largest and most complex financial institutions," said Comptroller Curry. "Facilitating the sharing of information and knowledge among examiners across institutions and rotating examiner assignments will allow us to provide a fresh and broader perspective to the examination of each large institution."

"I join the senior management of the agency in pledging our 100 percent commitment to these actions," Mr. Curry added. "We will invest the time and resources necessary to fully implement even those initiatives that will require longer-term execution. Our ongoing process for self-assessment and review will be important in ensuring the success of these new initiatives."

Mr. Curry said the internal working groups will now begin work on detailed plans to implement each of the recommendations. Implementation will begin in the next several months and the implementation periods will vary depending upon the nature of the change.

"I'm grateful to all of the staff who worked so tirelessly on this effort over the past several months," the Comptroller said. "Taking a critical look at one's own processes and seizing the opportunity to change are difficult, but they reflect a healthy and mature organization that can adapt to the evolving needs of the industry."

The OCC Bank Supervision Peer Review Initiative began last year when the Comptroller commissioned a review by senior financial supervisors from Australia, Canada, and Singapore. The international peer review team assessed OCC's policies and procedures related to the agency's large- and midsize-bank supervision programs. The group submitted [recommendations](http://www2.occ.gov/new s-issuances/new s-releases/2013/nr-occ-2013-184.html) in December 2013.

Following those submissions, the Comptroller identified OCC teams to evaluate each recommendation and provide input on which recommendations would have the greatest benefit to the OCC mission and operations. The OCC then

gave all employees the opportunity to provide comment and feedback on the suggested actions. The OCC teams used that input to refine the recommended actions and submit them to the OCC Executive Committee and the Comptroller for approval.

A complete list of the peer review team's recommendations and the OCC's response is available on the agency's Web site.

### Related Links

- [International Peer Review Report](http://www2.occ.gov/new-s-issuances/new-s-releases/2013/nr-occ-2013-184.html) [http://www2.occ.gov/new-s-issuances/new-s-releases/2013/nr-occ-2013-184.html]
- [Summary of OCC's Responses to the Supervision Peer Review Recommendations](http://www2.occ.gov/new-s-issuances/new-s-releases/2014/nr-occ-2014-75a.pdf) [http://www2.occ.gov/new-s-issuances/new-s-releases/2014/nr-occ-2014-75a.pdf] (PDF)
- [Comptroller of the Currency Thomas J. Curry](http://www2.occ.gov/about/who-we-are/comptroller-of-the-currency/bio-thomas-curry.html) [http://www2.occ.gov/about/who-we-are/comptroller-of-the-currency/bio-thomas-curry.html]

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