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Report to the Chairman, Committee on Financial Services, House of Representatives

November 2026

INTERNATIONAL COLLABORATION

Federal Banking Agencies Actively Participated in Standard-Setting Bodies



GAO-27-108190

GAO Highlights

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GAO-27-108190 November 2026

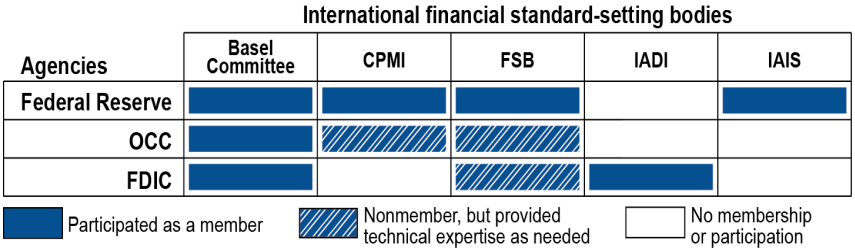
A report to the Chairman, Committee on Financial Services, House of Representatives

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What GAO Found

The Federal Deposit Insurance Corporation, Board of Governors of the Federal Reserve System, and Office of the Comptroller of the Currency help develop financial standards by participating in international standard-setting bodies, such as the Basel Committee on Banking Supervision. These banking agencies also conduct joint work with or provide technical assistance to certain bodies in which they are not members.

Federal Banking Agencies' Participation in Key International Standard-Setting Bodies, 2010–2025



Basel Committee: Basel Committee on Banking Supervision
CPMI: Committee on Payments and Market Infrastructures
FDIC: Federal Deposit Insurance Corporation
Federal Reserve: Federal Reserve System
FSB: Financial Stability Board
IADI: International Association of Deposit Insurers
IAIS: International Association of Insurance Supervisors
OCC: Office of the Comptroller of the Currency

Source: GAO analysis of standard-setting body and agency information. | GAO-27-108190

The banking agencies were active participants in developing or updating international standards, guidelines, or informational publications from 2010 through 2025. Along with other standard-setting body members, they helped develop 22 standards and at least 120 guidelines and informational publications, according to GAO's review of standard-setting body documentation and agency staff. Members generally are expected but are not legally required to implement standards domestically, whereas implementation of guidelines and informational publications is encouraged but not expected.

The banking agencies implemented international standards primarily through domestic rulemaking. For example, Basel Committee implementation-monitoring reports state that, as of May 2026, the banking agencies had proposed 27 rules to implement the Basel standards, 18 of which had been finalized. They also adopted some guidelines and informational publications developed by international standard-setting bodies. Standard-setting bodies promoted implementation through assessments, peer reviews, and other monitoring activities. However, agency staff stated that domestic policy objectives and internal deliberations primarily drove agency implementation actions.

The banking agencies used several mechanisms to oversee their participation in standards development. Through multilayered internal review processes, senior officials reviewed staff work, while agency leaders approved policy positions and represented their respective agencies in key meetings. The agencies are also subject to several external forms of oversight and transparency, including congressional hearings and reporting, public consultations by standard-setting bodies, and disclosures in annual reports.

Why GAO Did This Study

Some Members of Congress have raised questions about the transparency of international standard setting. For example, some Members of Congress have stated that the banking agencies have implemented domestic regulations that closely reflect international standards developed with limited input from U.S. stakeholders.

GAO was asked to review federal banking agencies' participation in developing international standards. This report examines, for 2010 through 2025, (1) the extent to which federal banking agencies participated in the development of international standards; (2) how the federal banking agencies have implemented the standards and how standard-setting bodies promote their implementation; and (3) the mechanisms for overseeing the federal banking agencies' development of international standards, among other objectives.

GAO analyzed federal banking agency documents, including policies, procedures, and annual reports; standard-setting body publications; and relevant academic and policy literature. GAO also interviewed officials from the banking agencies. GAO also interviewed 18 stakeholders—eight academics, three private sector lawyers, and seven advocacy organizations—selected for their expertise in international financial standard setting and range of views on oversight of developing such binding agreements or nonbinding instruments.

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Abbreviations

CPMI	Committee on Payments and Market Infrastructures
FDIC	Federal Deposit Insurance Corporation
Federal Reserve	Board of Governors of the Federal Reserve System
FSB	Financial Stability Board
IADI	International Association of Deposit Insurers
IAIS	International Association of Insurance Supervisors
OCC	Office of the Comptroller of the Currency
SEC	Securities and Exchange Commission

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U.S. GOVERNMENT ACCOUNTABILITY OFFICE
441 G St. N.W.
Washington, DC 20548

November 5, 2026

The Honorable French Hill
Chairman
Committee on Financial Services
House of Representatives

Dear Mr. Chairman:

Banking and other financial regulators worldwide work together to develop standards intended to promote global financial stability. International financial standard-setting bodies, composed of regulators from various countries, develop consensus-driven, nonbinding standards that members can implement to help regulate and supervise internationally active banks. These standards cover a wide range of topics and are meant to promote consistency, interoperability, and best practices for internationally active banks across jurisdictions. Standard-setting bodies also issue other publications, including nonbinding guidelines that often supplement standards. Members are expected, but not required, to implement standards in their home jurisdictions, while implementation of guidelines typically is encouraged but not expected.

The U.S. federal banking agencies—the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency (OCC), and the Board of Governors of the Federal Reserve System (Federal Reserve)—have participated in various international standard-setting bodies. These include the Financial Stability Board (FSB), the Basel Committee on Banking Supervision, and the International Association of Deposit Insurers (IADI). Congress does not participate directly in developing or approving international financial standards but has enacted laws authorizing federal banking agencies' participation in the development of such standards. Some Members of Congress have raised concerns about the transparency of international standard setting, including the concern that the banking agencies have implemented domestic regulations that closely reflect international standards developed with limited input from U.S. stakeholders.

You asked us to review the U.S. banking agencies' roles, responsibilities, and oversight mechanisms associated with their participation in developing international standards that govern financial system operations. This report examines, for 2010 through 2025,

1. the extent to which federal banking agencies participated in the development of international standards;
2. how the federal banking agencies have implemented international standards and how standard-setting bodies promoted their implementation;
3. the mechanisms for overseeing the federal banking agencies' development of international standards; and
4. how those oversight mechanisms compare with the mechanisms other federal agencies use when developing legally binding international agreements and nonbinding international instruments.

To address these objectives, we focused on the three federal banking agencies' development of international standards from 2010 through 2025. We also reviewed the agencies' participation in developing and implementing guidelines and other publications, such as supplemental guidance issued by five international standard-setting bodies (discussed below). We did not assess the banking agencies' participation in the Network of Central Banks and Supervisors for Greening the Financial System because we examined that international standard-setting body in a separate report.[1]

For the first objective, we collected, reviewed, and summarized publicly available documentation from 2010 through 2025, including prior GAO reports, federal banking agency and other federal government publications, international standard-setting body publications, and literature search results.

For the second objective, we reviewed proposed and final rules from federal banking agencies regarding implementation of international standards from 2010 through 2025. We collected and analyzed implementation-monitoring reports from the five international standard-setting bodies in which the federal banking agencies were members. We also collected and summarized publicly available information on how the standard-setting bodies promote and monitor the implementation of standards.

[1]GAO, *International Collaboration: U.S. Banking Agencies' Participation in Climate Risk Network*, GAO-26-108020 (Washington, D.C.: Mar. 26, 2026).

For the third objective, we collected and analyzed information from the federal banking agencies, including relevant policies and procedures, to identify their roles, responsibilities, and processes for developing international standards, guidelines, and other publications from 2010 through 2025. We used this information to identify internal and external oversight mechanisms, including the agencies' internal review and approval processes and congressional reporting requirements. We also reviewed proposed legislation, academic studies, and federal government publications on the oversight mechanisms for the banking agencies' development of international standards, such as from the Congressional Research Service.

For the fourth objective, we selected six other federal agencies based on the approximate number of their legally binding international agreements (such as treaties) and nonbinding international instruments (such as voluntary technical standards) and to represent a range of agency sizes.[2] To approximate agency activity, we used an academic study that identified unclassified nonbinding arrangements entered into by 23 federal agencies from 1989 through 2019 and GovInfo.gov data on treaties from 1995 through August 2025.[3] Using these criteria, we selected the Departments of Commerce, Energy, State, Transportation, and the Treasury, and the Securities and Exchange Commission (SEC). We interviewed agency staff and reviewed relevant policies and procedures to identify these agencies' oversight mechanisms for developing binding agreements and nonbinding instruments.

For all four objectives, we interviewed officials from the federal banking agencies and selected stakeholders, including eight academics, three private sector lawyers with experience working on international agreements, and representatives of seven advocacy organizations.

[2]Agencies differ in the terminology used to describe legally binding and nonbinding expectations negotiated internationally. For purposes of this report, we use the phrase "legally binding international agreement" (or "binding agreement") to describe a set of negotiated expectations that are legally binding on the U.S. under international law, including treaties and other binding international agreements to which the U.S. is a party. Additionally, for purposes of this report, we use the phrase "nonbinding international instrument" (or "nonbinding instrument") to describe a set of negotiated expectations that are not legally binding on the U.S.

[3]See Curtis A. Bradley, Jack L. Goldsmith, and Oona A. Hathaway, "The Rise of Nonbinding International Agreements: An Empirical, Comparative, and Normative Analysis," *University of Chicago Law Review* vol. 90, no. 5 (2023). The GovInfo.gov website is managed by the U.S. Government Publishing Office—a federal agency in the legislative branch—and provides public access to official publications from all three branches of the federal government.

These 18 stakeholders represented expertise in international agreements and nonbinding international instruments, including financial standards, and held a range of views on oversight of developing such binding agreements or nonbinding instruments. See appendix I for a detailed description of our scope and methodology.

We conducted this performance audit from March 2025 to October 2026 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

U.S. Banking Agencies

The U.S. federal banking agencies that participate in international standard-setting bodies are FDIC, OCC, and the Federal Reserve. These agencies supervise U.S. banking organizations for safety and soundness, among other purposes.[4] Their responsibilities include issuing regulations to establish capital, liquidity, and other requirements for the institutions they supervise. Table 1 identifies the types of banking organizations supervised by each entity.

Table 1: U.S. Federal Banking Agencies and the Banking Organizations They Supervise

Agency	Supervised entities
Board of Governors of the Federal Reserve System	Bank holding companies, financial holding companies, state-chartered banks that are members of the Federal Reserve System, savings and loan holding companies, the U.S. operations of foreign banking organizations, and other entities.
Federal Deposit Insurance Corporation	Federally insured state-chartered banks and savings associations that are not members of the Federal Reserve System.
Office of the Comptroller of the Currency	National banks, federally chartered savings associations, and federal branches and agencies of foreign banks.

Source: GAO. | GAO-27-108190

The federal banking agencies have been granted authority by law to engage in international standard setting. According to federal banking agency staff, these agencies have authority to take reasonable and

[4]The National Credit Union Administration, which insures accounts at federally insured credit unions and charters and oversees federal credit unions, is not a member of any international standard-setting body and was not included in this review.

appropriate actions to carry out their statutory responsibilities, including participating in international standard-setting bodies.[5]

Standard-Setting Bodies

Numerous international bodies with different missions and members develop standards for internationally active banks and other entities. Table 2 describes the five key international standard-setting bodies.

Table 2: Key International Standard-Setting Bodies

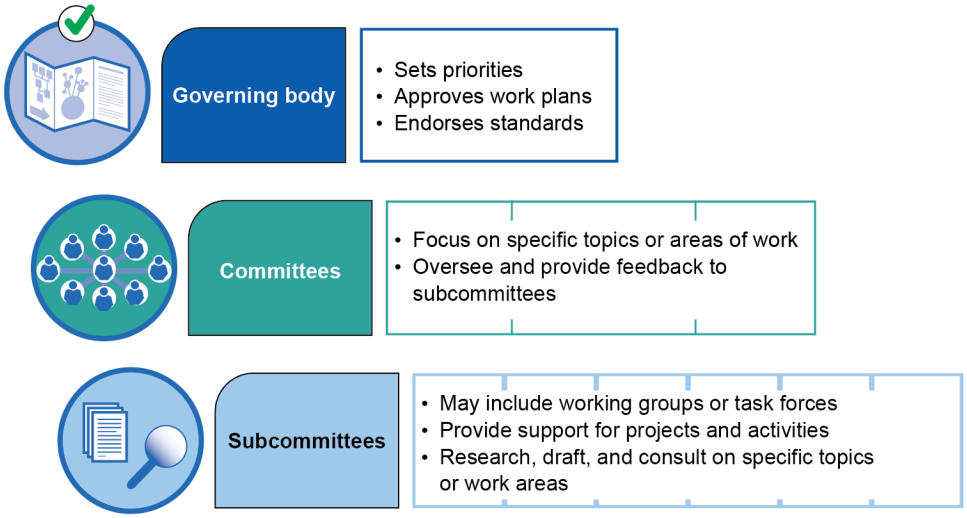
International standard-setting body	Description
Basel Committee on Banking Supervision	The Basel Committee is the primary global standard-setter for the prudential regulation of internationally active banks and provides a forum for cooperation on banking supervisory matters. Its mandate is to strengthen the regulation, supervision, and practices of banks worldwide with the purpose of enhancing financial stability. Members consist of central banks and authorities with formal responsibility for banking supervision.
Committee on Payments and Market Infrastructures (CPMI)	CPMI is a global standard-setter that promotes the safety and efficiency of payment, clearing, settlement, and related arrangements to support financial stability and the economy. Its members are central banks, and it serves as a forum for central bank cooperation in related oversight, policy, and operational matters, including the provision of central bank services.
Financial Stability Board (FSB)	FSB promotes international financial stability by coordinating national financial authorities and international standard-setting bodies in developing effective regulatory, supervisory, and other financial sector policies. Its members include regulators, international financial institutions, and standard-setting bodies such as the Basel Committee.
International Association of Deposit Insurers (IADI)	IADI is the global standard-setting body for deposit insurers. Its activities include developing standards and guidance to enhance the effectiveness of deposit insurance systems. Its members are entities that, under law or agreements, have a deposit insurance system and have been approved for membership in IADI.
International Association of Insurance Supervisors (IAIS)	IAIS is the global standard-setting body for the insurance sector. Its mission is to promote effective and globally consistent supervision of the insurance industry for the benefit and protection of policyholders and global financial stability. Its members are insurance supervisors, including the Board of Governors of the Federal Reserve System (due to its supervision of certain insurance holding companies) and state insurance regulators.

Source: Standard-setting body documentation. | GAO-27-108190

[5]According to staff from all three federal banking agencies, the following laws applicable to all federal banking agencies directly grant or recognize authority for the federal banking agencies to participate in international standard-setting bodies: 12 U.S.C. § 3901; 12 U.S.C. § 3911(a), (b); 31 U.S.C. § 313(l) and note; and 12 U.S.C. § 1828 note. Agency staff identified the following additional laws that further support participation in international standard-setting bodies or international coordination applicable to specific agencies: 12 U.S.C. §§ 3907(b)(3)(C) (Federal Reserve and OCC); 12 U.S.C. § 5390(a)(1)(N) (FDIC); 12 U.S.C. § 5371(a)(6) (Federal Reserve and OCC); 12 U.S.C. § 5464 (Federal Reserve); 12 U.S.C. § 5373(c) (Federal Reserve); 22 U.S.C. § 9522 note (Federal Reserve and OCC); Anti-Money Laundering Act of 2020, § 6112, enacted as Division F, §§ 6001-6511 of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021, Pub. L. No. 116-283, 134 Stat. 3388, 4547-4633 (2021) (OCC); and 12 U.S.C. § 1821(r) (FDIC).

Generally, these five standard-setting bodies have three organizational levels: a governing body, committees, and subcommittees that may include working groups or task forces (see fig. 1).

Figure 1: General Organizational Structure of Standard-Setting Bodies



Source: GAO analysis and icons. | GAO-27-108190

International Financial Standards

The international financial standards we reviewed cover a wide range of topics and are generally developed through consensus-based processes within international standard-setting bodies. For example, they may address capital adequacy and risk management. Standards are generally endorsed through broad agreement among members rather than through majority agreement or a simple vote. Standard-setting bodies may also revise or update standards over time. For example, in 2010, the Basel Committee agreed on a framework, known as Basel III, aimed at strengthening capital and liquidity requirements. In 2017 and 2019, the committee issued additional changes intended to improve the comparability of banks' regulatory capital requirements.[6]

The international financial standards we reviewed are not legally binding, meaning that such standards do not create legal obligations for members

[6]For additional information, see GAO, *Bank Capital Reforms: U.S. Agencies' Participation in the Development of the International Basel Committee Standards*, GAO-25-107995 (Washington, D.C.: Mar. 26, 2025).

of standard-setting bodies.[7] However, these bodies typically expect national authorities to implement the standards voluntarily and apply generally consistent requirements in their jurisdictions. For example, the governing documents of the Basel Committee, CPMI, and FSB state that members commit to implement the established standards.

Standard-setting bodies take different approaches when crafting standards to encourage national authorities to implement them. For example, some standards are rules-based, recommending specific minimum requirements intended to help ensure financial institutions operate safely and soundly. Others are principles-based, focusing on achieving high-level outcomes and goals rather than recommending specific requirements.

International Guidelines and Informational Publications

Standard-setting bodies also publish guidelines and informational publications. Guidelines typically supplement standards by providing additional direction on their implementation. Informational publications provide insights on topics relevant to internationally active banks without recommending supervisory approaches. Unlike standards, guidelines and informational publications generally are encouraged but not expected to be implemented domestically.[8] Rather, guidelines and informational publications typically provide supplementary guidance or topical information to members, internationally active banks, and other stakeholders. For example, in December 2024, the Basel Committee on Banking Supervision issued guidelines identifying key practices for banks' counterparty credit risk management.[9]

[7]Standards may become legally binding in a jurisdiction to the extent they are implemented through legislation or regulation.

[8]Guidelines include standard-setting body publications such as principles, recommendations, guidance, and sound practices. Informational publications may include reports that review the status of specific banking topics, implementation reports, frequently asked questions, press releases, and newsletters.

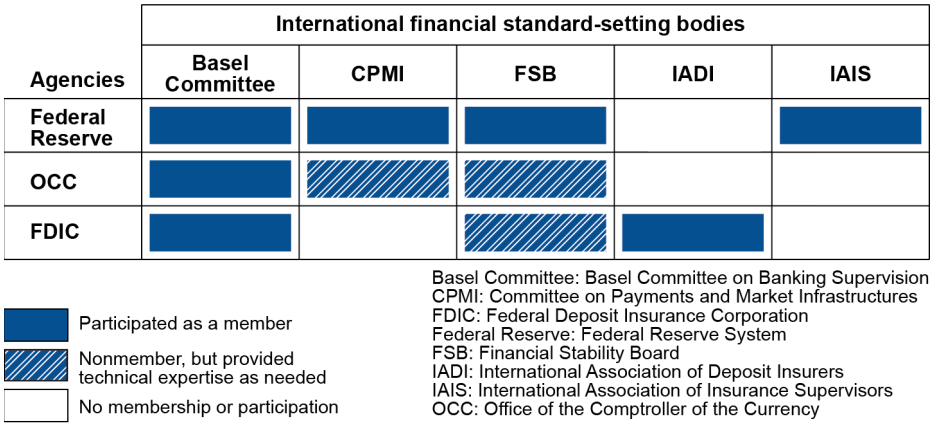
[9]Bank for International Settlements, Basel Committee on Banking Supervision, *Guidelines for Counterparty Credit Risk Management* (Basel, Switzerland: Dec. 11, 2024).

Banking Agencies Actively Participated in International Standard Setting from 2010 Through 2025

Banking Agencies Participated in One or More Standard-Setting Bodies

From 2010 through 2025, each federal banking agency was a member of at least one international standard-setting body (see fig. 2).

Figure 2: Federal Banking Agency Participation in Key Standard-Setting Bodies, 2010–2025



Source: GAO analysis of standard-setting body and agency information. | GAO-27-108190

In addition to participating as members, the banking agencies provided technical expertise to standard-setting bodies in which they were not members. For example, the Federal Reserve supported the Department of the Treasury in its role as the lead agency for the Financial Action Task Force, according to Federal Reserve staff.[10] The Federal Reserve, through its participation with CPMI, also conducted joint work with the International Organization of Securities Commissions on matters of common interest, according to staff.[11] FDIC staff stated that FDIC provided technical input to FSB and the International Organization of

[10]The Financial Action Task Force develops and promotes policy recommendations that are recognized as international anti-money laundering standards.

[11]The International Organization of Securities Commissions sets global standards for the securities sector to protect investors, ensure efficient markets, and address systemic risks.

Securities Commissions through joint work with the Basel Committee.[12] OCC staff stated that OCC provided technical input to FSB, CPMI, the International Organization of Securities Commissions, and the Financial Action Task Force.

Banking Agencies Helped Develop 22 Standards and At Least 120 Guidelines from 2010 Through 2025

From 2010 through 2025, the banking agencies, along with other standard-setting body members, helped develop 22 standards and at least 120 guidelines and informational publications, according to our review of available documentation and agency staff (see table 3).[13]

Table 3: Standards Federal Banking Agencies Helped Develop at International Standard-Setting Bodies, 2010–2025

Standard-setting body	Number of standards
Basel Committee on Banking Supervision	14
Committee on Payments and Market Infrastructures	2
Financial Stability Board	1
International Association of Deposit Insurers	1
International Association of Insurance Supervisors	4
Total	**22**

Source: GAO analysis of information from the federal banking agencies—the Federal Deposit Insurance Corporation, Board of Governors of the Federal Reserve System, and Office of the Comptroller of the Currency—and standard-setting body documentation. | GAO-27-108190

Basel Committee

From 2010 through 2025, the federal banking agencies, along with other Basel Committee members, helped develop or revise all 14 standards that constitute the *Basel Framework* for the prudential regulation of internationally active banks, according to Basel Committee documentation and agency staff.[14] These standards address topics such as risk-based capital requirements, leverage and liquidity coverage ratios,

[12]While not an FSB member, FDIC participates in FSB's Resolution Steering Group, which develops global standards and guidance on resolution regimes and planning for systemically important financial institutions.

[13]Our counts did not include publications such as implementation reports, frequently asked questions, press releases, and consultative documents. Instead, we focused on standards and guidelines and informational publications.

[14]In 2019, the Basel Committee created a consolidated version of its standards for the regulation and supervision of internationally active banks. Before this consolidation, standards were published on the Basel Committee's website as a series of documents. These publications replaced prior standards, amended existing standards or introduced new ones. This format, combined with the expanded scope of the Basel Framework in recent years, made it difficult for stakeholders to identify the standards and track how the framework had developed over time. The Consolidated Basel Framework helped address these issues, according to the Basel Committee website.

disclosure requirements, and core principles for effective banking supervision.

The banking agencies also helped develop at least 25 Basel Committee guidelines and informational publications that generally provided supplemental information on implementing Basel standards, according to Basel Committee documentation and agency staff.

CPMI

Over the same period, the Federal Reserve, with support from the Federal Reserve Bank of New York, helped develop two CPMI standards: *Principles for Financial Market Infrastructures* and *Public Quantitative Disclosure Standards for Central Counterparties*, according to CPMI documentation and Federal Reserve staff.[15] The first covers topics such as credit and liquidity risk management, central securities depositories, settlement, default management, operational risk management, and transparency. The second, together with the CPMI disclosure framework, establishes minimum disclosure expectations for central counterparties.

The Federal Reserve also helped develop at least 14 CPMI guidelines and informational publications that clarified these standards or addressed the safety and efficiency of payment, clearing, settlement, and related arrangements, according to CPMI documentation and Federal Reserve staff.

FSB

The Federal Reserve helped develop one standard at FSB during the period, *Total Loss-Absorbing Capacity Principles*, according to FSB documentation and Federal Reserve staff.[16] This standard was designed to ensure that failing global systemically important banks have sufficient loss-absorbing and recapitalization capacity to implement an orderly

[15]Bank for International Settlements, Committee on Payments and Market Infrastructures, *Principles for Financial Market Infrastructures* (Basel, Switzerland: Apr. 2012) and *Public Quantitative Disclosure Standards for Central Counterparties* (Basel, Switzerland: Feb. 26, 2015). In addition to the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York is a CPMI member. Federal Reserve staff stated that the Reserve Bank's authority to participate in international bodies derives from the Board's authority to do so. The staff noted that the Reserve Bank supports the Board in performing its international responsibilities. Staff further stated that the Reserve Bank acts in a technical advisory capacity, and the Board has sole responsibility for setting supervisory and regulatory policy.

[16]Financial Stability Board, *Principles on Loss-Absorbing and Recapitalization Capacity of G-SIBs in Resolution, Total Loss-absorbing Capacity (TLAC) Term Sheet* (Basel, Switzerland: Nov. 9, 2015).

resolution that minimizes impacts on financial stability, ensures the continuity of critical functions, and avoids exposing public funds to loss.

Federal Reserve staff stated they also participated in developing at least 45 FSB supplementary guidelines and informational publications, covering subjects such as crypto assets, cyber incident reporting, cross-border payments, resolution regimes, and third-party risk.

IADI

FDIC helped update IADI's *Core Principles for Effective Deposit Insurance Systems* standard in 2014 and 2025, according to IADI documentation and FDIC staff.[17] The standard, originally published in 2009, consists of 18 principles describing the elements of an effective deposit insurance system.

FDIC staff stated they also participated in developing at least 10 IADI guidelines and informational publications from 2010 through 2025 on topics such as reimbursement, contingency planning, risk management, and internal control systems.

IAIS

The Federal Reserve helped develop or update four IAIS standards from 2010 through 2025, according to IAIS documentation and agency staff. The *Insurance Core Principles* and the *Common Framework for the Supervision of Internationally Active Insurance Groups* are contained in a single IAIS standard document focused on effective supervision of internationally active insurance groups.[18] The *Insurance Capital Standard*, adopted in 2024, is the quantitative element of the Common Framework, although its specific requirements are contained in a separate document.[19]

[17]International Association of Deposit Insurers, *IADI Core Principles for Effective Deposit Insurance Systems* (Basel, Switzerland: Sept. 9, 2025).

[18]Bank for International Settlements, International Association of Insurance Supervisors, *Insurance Core Principles and Common Framework for the Supervision of Internationally Active Insurance Groups* (Basel, Switzerland: Dec. 2024).

[19]An IAIS explanatory note for this standard stated that although the *Insurance Capital Standard* is part of the *Common Framework for the Supervision of Internationally Active Insurance Groups*, its specific requirements are contained in a standalone document describing its overarching principles, concepts, and specifications. Bank for International Settlements, International Association of Insurance Supervisors, *Insurance Capital Standards, Level 1 and Level 2 Texts* (Basel, Switzerland: Dec. 5, 2024) and *Explanatory Note: Operationalizing Amendments to ComFrame as a Result of the Adoption of the ICS* (Basel, Switzerland: Nov. 14, 2024).

The *Insurance Core Principles*, first adopted in 2011 and updated several times, address effective insurance supervision. The most recent updates were issued in 2024 and included those related to valuation, capital adequacy, and climate risk.[20] The *Common Framework for the Supervision of Internationally Active Insurance Groups* builds on the *Insurance Core Principles* by establishing nonbinding qualitative and quantitative requirements tailored to the size and international activities of these groups. The Federal Reserve helped develop the initial framework in 2019 and subsequent updates in 2024, according to IAIS documentation and agency staff. The *Insurance Capital Standard* addresses valuation, capital resources, and capital requirements and constitutes the risk-based measure of capital adequacy for internationally active insurance groups.

The Federal Reserve also helped develop standards on higher loss absorbency, basic capital requirements, and policy measures for global systemically important insurers, according to agency staff.[21]

Federal Reserve staff also told us they helped develop at least 27 IAIS guidelines and informational publications, including application papers that provide information on a range of insurance topics.

Banking Agencies Primarily Participated Through Working Groups

According to U.S. banking agency documentation and agency staff, the federal banking agencies primarily helped develop international standards, guidelines, and informational publications by participating in working groups or task forces. These groups generally consist of subject matter experts and group leaders. Subject matter experts generally develop technical aspects of standards and publications by conducting research, collaborating with other members, or drafting documents. Group leaders generally coordinate or steer working group committees and review draft standards before they are submitted to the applicable governing body for approval.

Standards

Federal banking agencies participated in or led working groups for all standards they helped develop or update from 2010 through 2025, according to agency staff. For example, the staff indicated that all three

[20]These were the most recent updates as of August 2026.

[21]Agency staff cited Bank for International Settlements, International Association of Insurance Supervisors, *Higher Loss Absorbency Requirement for Global Systemically Important Insurers* (Basel, Switzerland: Oct. 5, 2015); *Basic Capital Requirements for Systemically Important Insurers* (Basel, Switzerland: Oct. 23, 2014); and *Global Systemically Important Insurers: Policy Measures* (Basel, Switzerland: July 18, 2013).

agencies participated in the major working groups and task forces responsible for updating the Basel Framework.[22] Federal Reserve staff led groups that developed two standards and OCC staff led one, according to agency staff.[23]

Guidelines and Informational Publications

During the same period, the banking agencies participated in working groups or task forces that helped develop at least 120 guidelines and informational publications, according to agency staff. These publications typically supplement standards or provide information without establishing nonbinding supervisory expectations.

Federal Reserve staff said the agency led or co-led such groups for 10 of these publications, including work on climate-related financial risks, cyber resilience for financial market infrastructure, and supervision of insurance control functions.[24] OCC led or co-led four Basel Committee working groups or task forces to develop publications on stress testing principles, financial technology, problem assets, and third-party risk management.[25] FDIC did not lead any such working groups, according to agency staff. In

[22]GAO-25-107995.

[23]Federal Reserve staff said the Federal Reserve led working groups for the Basel Committee's development of the Basel Framework's margin requirement standard and for the Committee on Payments and Market Infrastructure's development of the *Principles for Financial Market Infrastructures*. See Bank for International Settlements, Basel Committee on Banking Supervision, *Consolidated Basel Framework – Margin Requirements* (Basel, Switzerland: Dec. 15, 2019); and Bank for International Settlements, Committee on Payments and Market Infrastructures, *Principles for Financial Market Infrastructures* (Basel, Switzerland: Apr. 2012). OCC staff stated that OCC led a working group for the Basel Committee's standard on capital treatment for securitization exposures. See Bank for International Settlements, Basel Committee on Banking Supervision, *Basel III Document, Revisions to the securitization framework* (Basel, Switzerland: Dec. 11, 2016).

[24]Bank for International Settlements, Basel Committee on Banking Supervision, *Principles for the Effective Management and Supervision of Climate-related Financial Risks* (Basel, Switzerland: June 15, 2022); Bank for International Settlements, Committee on Payments and Market Infrastructures, *Guidance on Cyber Resilience for Financial Market Infrastructures* (Basel, Switzerland: June 2016); and Bank for International Settlements, International Association of Insurance Supervisors, *Application Paper on Supervision of Control Functions* (Basel, Switzerland: June 22, 2021).

[25]Bank for International Settlements, Basel Committee on Banking Supervision, *Stress Testing Principles* (Basel, Switzerland: Oct. 17, 2018), *Sound Practices: Implications of Fintech Developments for Banks and Bank Supervisors* (Basel, Switzerland: Feb. 19, 2018), and *Prudential Treatment of Problem Assets - Definitions of Non-performing Exposures and Forbearance* (Basel, Switzerland: Apr. 14, 2016). Staff stated that OCC co-chaired the group that developed third-party risk management guidelines: Bank for International Settlements, Basel Committee on Banking Supervision, *Principles for the sound management of third-party risk* (Basel, Switzerland: Dec. 2025).

addition, each of the agencies participated in at least some working groups for which they did not have a lead role.

Banking agency staff stated that the agencies rarely declined to participate in developing these publications. Federal Reserve staff stated that participation varied based on agency priorities and the relevance of staff expertise. For example, they noted the Federal Reserve declined to participate in developing some IAIS guidelines, informational publications, and implementation activities because it is not the primary U.S. insurance regulator. FDIC declined to participate in developing six, while OCC staff did not recall the agency declining to participate in any recent Basel Committee guidelines or informational publications.

Agencies Implement Standards Primarily Through Rulemaking and May Adapt Them to Reflect Domestic Priorities

Agencies' Implementation Decisions Reflect Domestic Considerations

Banking agency staff stated that the decision about whether and how to implement a standard through rulemaking or guidance depends on factors such as the substance of the publication, legal mandates, enforcement considerations, and policy objectives. Agency staff noted that domestic implementation of international standards and guidelines also reflects the agencies' supervisory goals, legal requirements, and characteristics of the U.S. financial system, such as its markets, accounting standards, and bank practices.

As a result, domestic implementation may sometimes differ from the international standard, even though the international standards typically are developed by consensus and members agree to implement them in a generally consistent manner. For example, the U.S. banking agencies set a higher minimum leverage ratio for U.S. global systemically important

banks and their insured depository institution subsidiaries than the Basel Committee standard.[26]

The banking agencies' March 2026 proposed rules to implement the Basel III framework also included certain provisions that differed from the Basel Committee standards. For example, the proposals would eliminate the Basel-required deduction of certain mortgage servicing assets from regulatory capital. They would also permit banks to hold less capital against corporate loans based solely on internal ratings, regardless of whether the borrowing firm was publicly listed, in contrast to the Basel standard.[27]

Banking agencies adopt international standards and guidelines by issuing new rules, amending existing rules, or issuing supervisory guidance.

- **Issuing new or amending existing rules.** The Administrative Procedure Act established requirements for federal agency rulemaking, including what is commonly referred to as notice-and-comment rulemaking, which is the process used to promulgate

[26]In January 2014, the Basel Committee finalized a Basel III leverage ratio framework establishing a minimum leverage ratio of 3 percent. Bank for International Settlements, Basel Committee on Banking Supervision, *Basel III Leverage Ratio Framework and Disclosure Requirements* (Basel, Switzerland: Jan. 2014). In April 2014, U.S. banking agencies adopted the enhanced supplementary leverage ratio rule requiring U.S. global systemically important banks to maintain an effective leverage ratio of 5 percent and their insured depository institution subsidiaries to maintain 6 percent. Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, *Regulatory Capital Rules: Enhanced Supplementary Leverage Ratio Standards for Certain Bank Holding Companies and Their Subsidiary Insured Depository Institutions*, 79 Fed. Reg. 24528 (May 1, 2014). The enhanced supplementary leverage ratio was recently amended and became effective April 1, 2026. Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, *Regulatory Capital Rule: Modifications to the Enhanced Supplementary Leverage Ratio Standards for U.S. Global Systemically Important Bank Holding Companies and Their Subsidiary Depository Institutions; Total Loss-Absorbing Capacity and Long-Term Debt Requirements for U.S. Global Systemically Important Bank Holding Companies*, 90 Fed. Reg. 55248 (Dec. 1, 2025).

[27]Office of the Comptroller of the Currency, Board of Governors of the Federal Reserve System, and Federal Deposit Insurance Corporation, *Regulatory Capital Rule: Category I and II Banking Organizations, Banking Organizations With Significant Trading Activity, and Optional Adoption for Other Banking Organizations,* 91 Fed. Reg. 14952 (Mar. 27, 2026); and *Regulatory Capital Rules: Regulatory Capital and Standardized Approach for Risk-Weighted Assets*, 91 Fed. Reg. 15332 (Mar. 27, 2026).

most federal regulations.[28] Under this process, agencies publish a notice of proposed rulemaking and provide an opportunity for the public, including industry stakeholders, to comment before issuing a final rule (see fig. 3). Final rules are legally binding once effective.

Figure 3: Overview of the Notice-and-Comment Rulemaking Process



Source: GAO analysis and icons. | GAO-27-108190

Note: This figure depicts only the notice-and-comment rulemaking process and not other methods of rulemaking under the Administrative Procedure Act. After reviewing public comments, an agency may issue a final rule, issue a new proposed rule, or decide not to proceed.

- **Issuing supervisory guidance.** Agency supervisory guidance consists of documents such as policy statements, bulletins, or advisories. It does not have the force and effect of law. However, federal banking agencies may use guidance in supervising financial institutions, including monitoring, inspecting, and examining them. Through such guidance, the agencies communicate sound practices and supervisory expectations.

Agency officials told us that rulemaking generally requires more time to complete, while supervisory guidance can be issued more quickly.

Agencies Implement Standards Primarily Through Rulemaking

The banking agencies implement standards primarily through domestic rulemaking, according to banking agency staff and our review of standard-setting body documentation.

- **Basel Committee.** Agencies have implemented Basel Committee standards primarily through rulemaking, according to agency staff. Basel Committee implementation-monitoring reports state that, as

[28]Administrative Procedure Act, 5 U.S.C. §§ 551–559.

of May 2026, the banking agencies had proposed 27 rules to implement the Basel standards, 18 of which had been finalized.[29]

- **CPMI.** According to officials, the Federal Reserve adopted risk-management standards for designated financial market utilities subject to its supervision through a rule based on, and generally consistent with, the *Principles for Financial Market Infrastructures* standard.[30] The standard was jointly developed by CPMI and the International Organization of Securities Commissions. The most recent U.S. CPMI peer review as of August 2026, published in May 2019, found that the Federal Reserve implemented the standard in both a rulemaking and a policy statement.[31] The assessment also found that the Federal Reserve's regulation completely and consistently implemented the applicable principles in the standard for the types of financial market infrastructures it regulates and supervises.
- **IADI.** According to FDIC's self-assessment of its implementation of the IADI *Core Principles for Effective Deposit Insurance Systems*, most principles were met through a combination of existing rules, supervisory practices, and statutes.[32] For example, FDIC reported that it met IADI Core Principle 13, *Early Detection*

[29]See Basel Committee on Banking Supervision, 'RCAP on timeliness: Basel III implementation dashboard,' Bank for International Settlements, last updated May 31, 2026, https://www.bis.org/committees/bcbs/rcap-dashboard (U.S. jurisdiction filter). The Basel Committee's Regulatory Consistency Assessment Programme monitors adoption of Basel III standards by member jurisdictions (timeliness), assesses implementation across member jurisdictions (consistency) and assesses implementation across banks (outcomes).

[30]Board of Governors of the Federal Reserve System, *Financial Market Utilities*, 79 Fed. Reg. 65543 (Nov. 5, 2014). Financial market utilities are multilateral systems that provide the infrastructure for transferring, clearing, and settling payments, securities, and other financial transactions among financial institutions or between financial institutions and the system. Although the standards issued jointly by CPMI and the International Organization of Securities. While commissions use the term "financial market infrastructure," U.S. law uses "financial market utility" to refer to payment, clearing, and settlement. Committee on Payment and Settlement Systems (CPMI) and International Organization of Securities Commissions, *Principles for Financial Market Infrastructures* (Basel, Switzerland: Apr. 2012).

[31]Committee on Payments and Market Infrastructures and Board of the International Organization of Securities Commissions, *Implementation Monitoring of PFMI: Assessment Report for the United States—Payment Systems, Central Securities Depositories and Securities Settlement Systems*, CPMI Papers No. 184 (Basel, Switzerland: May 31, 2019).

[32]Federal Deposit Insurance Corporation, *U.S. Self-Assessment Against the Core Principles for Effective Deposit Insurance Systems* (Washington, D.C.: 2020).

and Timely Intervention, through regulations and supervisory examination practices.[33]

- **FSB.** According to officials, the Federal Reserve implemented the FSB's *Total Loss-Absorbing Capacity* through a rule issued in 2017.[34] In its most recent implementation-monitoring review, FSB reported that most jurisdictions, including the U.S., had issued minimum external total loss-absorbing capacity requirements.[35]
- **IAIS.** Because U.S. insurance regulation is primarily state-based, IAIS standards applicable to insurance entities generally are implemented through state insurance regulatory frameworks, with coordination among state insurance regulators, the National Association of Insurance Commissioners, and Treasury's Federal Insurance Office. The Federal Reserve generally is not considered the primary entity responsible for implementing IAIS standards because it is not the primary U.S. insurance regulator, according to Federal Reserve staff.

  For example, although Federal Reserve staff led development of the IAIS *Application Paper on Supervision of Control Functions*, staff explained that responsibility for implementing the paper generally fell outside the Federal Reserve's supervisory responsibilities. However, Federal Reserve staff told us that the agency considered IAIS guidelines and informational publications

[33]See Federal Deposit Insurance Corporation, *U.S. Self-Assessment Against the Core Principles for Effective Deposit Insurance Systems*, which references the Federal Deposit Insurance Corporation's *Risk Management Manual of Examination Policies* (Washington, D.C.: 2026) and cites 12 C.F.R. § 327.4(f) (governs the effective date of assessment risk assignment changes) and 12 C.F.R. pt. 364 (requiring institutions to maintain systems for identifying, measuring, monitoring, and controlling risk and providing a framework for supervisory and corrective action when weaknesses are identified).

[34]Board of Governors of the Federal Reserve System, *Total Loss-Absorbing Capacity, Long-Term Debt, and Clean Holding Company Requirements for Systemically Important U.S. Bank Holding Companies and Intermediate Holding Companies of Systemically Important Foreign Banking Organizations*, 82 Fed. Reg. 8,266 (Jan. 24, 2017) (requiring covered U.S. global systemically important bank holding companies and certain foreign banking organizations' U.S. intermediate holding companies to maintain minimum levels of loss-absorbing capacity and long-term debt to support orderly resolution).

[35]Financial Stability Board, *G20 Implementation Monitoring Review: Interim Report* (Basel, Switzerland: Oct. 13, 2025).

when developing supervisory guidance for insurance organizations under its jurisdiction.[36]

Banking agency staff provided several reasons why the agencies had not implemented certain standards. Specifically, staff said that for certain standards the agencies had not yet completed domestic rulemaking or because a standard fell outside the agencies' responsibilities or statutory authority. In addition, staff noted that IAIS standards largely fall outside the banking agencies' supervisory responsibilities. Further, in some cases, the agencies determined that a standard was not suitable for the domestic market. For example, in a 2024 report, the Federal Reserve, Treasury, and the Federal Insurance Office stated that the IAIS *Insurance Capital Standard* was not appropriate for the U.S. insurance market and that the U.S. would instead pursue an alternate approach.[37]

Agencies Have Adopted Some International Guidelines, and Standard-Setting Bodies Do Not Expect Implementation

The federal banking agencies have adopted some of the guidelines and informational publications developed by international standard-setting bodies from 2010 through 2025, according to our review of available documentation and agency officials. However, unlike standards, these guidelines and publications generally are not expected to be implemented by members. Some support existing standards by providing information that members or financial institutions can consider during implementation. Others recommend actions that supervisors or institutions may take to address identified weaknesses and risks in the financial system. Informational publications provide information on topics relevant to internationally active banks without offering recommendations or guidelines.[38]

Federal Reserve and OCC officials said that when agency guidance was consistent with standard-setting body guidelines, the applicable agency guidance often predated the guidelines. As a result, the agencies did not

[36]SR 22-8, "Framework for the Supervision of Insurance Organizations," is the Federal Reserve's supervisory framework for insurance companies under its oversight and outlines how they are assessed, rated, and supervised in coordination with state insurance regulators.

[37]Board of Governors of the Federal Reserve System, Department of the Treasury, and Federal Insurance Office, *Report to Congress on the Potential Impact of the Insurance Capital Standard on Consumers and Markets in the United States* (Washington, D.C.: Nov. 2024). The U.S. Aggregation Method is a group-capital approach that aggregates existing legal-entity capital requirements within a state-based insurance regulatory framework to achieve outcomes comparable to the IAIS Insurance Capital Standard.

[38]For example, such reports may be addressed primarily to institutions and cover topics such as governance, risk management, controls, or other industry practices.

have to take additional action to implement those guidelines or informational publications.

Our analysis of information provided by agency officials found that the agencies adopted or, in most cases, already had guidance consistent with the following guidelines.[39]

- **Basel Committee:** FDIC had applicable guidance for eight guidelines, the Federal Reserve for 13, and OCC for 12.[40] Of these, existing guidance predated seven of the Basel Committee guidelines for FDIC and nine each for the Federal Reserve and OCC.[41]
- **CPMI:** The Federal Reserve had applicable agency guidance consistent with one CPMI guideline, and that guidance predated the CPMI guideline.
- **FSB:** The Federal Reserve had applicable guidance for 13 FSB guidelines, including existing guidance that predated 11 of them.[42]

Standard-Setting Bodies Monitor Implementation, but Other Factors Drive Agency Actions

International standard-setting bodies promote the implementation of standards through monitoring activities. These activities include assessments, peer reviews, implementation dashboards, thematic reviews, and self-assessments. They are designed to evaluate the extent to which domestic regulatory frameworks align with international standards (see table 4). Standard-setting bodies generally do not assess implementation of guidelines or informational publications as part of these monitoring exercises.

[39]Federal Reserve and FDIC staff stated that they did not adopt any IAIS or IADI guidelines or publications, respectively. As noted previously, the Federal Reserve is not the primary regulator for the insurance industry.

[40]In some cases, agency officials differed in their assessments of whether interagency guidance was implemented or was consistent with a standard-setting body guideline. For our analysis, if one agency identified jointly issued guidance as implementing a guideline, we treated all agencies that issued the guidance as having implemented it.

[41]When agencies identified guidance corresponding to a standard-setting body guideline or publication, we reviewed the agency guidance to determine whether it had been issued before or after the international publication. We considered guidance issued before the international publication to be “existing” guidance.

[42]FDIC is not a member of FSB but participates in FSB’s Resolution Steering Group. FDIC and the Federal Reserve issued interagency guidance that the Federal Reserve identified as being consistent with certain FSB guidelines or informational publications.

Table 4: Activities of Key International Standard-Setting Bodies to Promote Implementation of Standards, as of December 2025

International standard-setting body	Key activities	What is assessed
Basel Committee on Banking Supervision	Regulatory Consistency Assessment Program, implementation dashboard	Consistency of domestic regulations with Basel standards
Financial Stability Board	Peer reviews, thematic reviews, annual monitoring reports, implementation dashboard	Broad implementation of reforms
International Association of Deposit Insurers	Self-assessments	Implementation of deposit insurance principles
International Association of Insurance Supervisors	Peer reviews, member assessment program, self-assessments	Implementation of insurance core principles
Committee on Payments and Market Infrastructures	Multilevel peer and self-assessments	Implementation of principles for financial market infrastructure

Source: GAO review of standard-setting body documentation. | GAO-27-108190

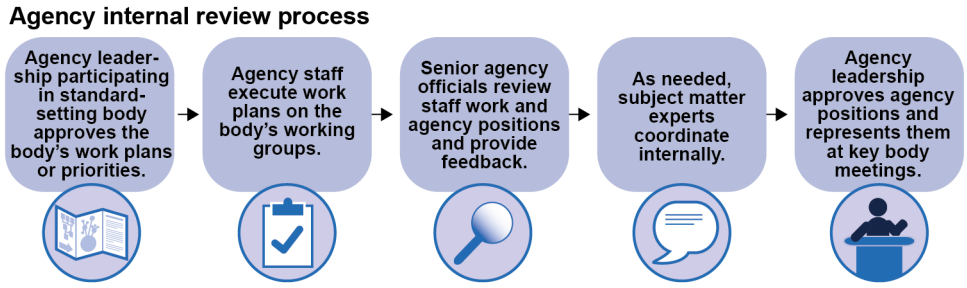
Banking agency staff stated that findings from standard-setting body monitoring activities are not a major determinant of their implementation actions. Instead, domestic policy objectives, legal requirements, and internal deliberations primarily determine how and to what extent the agencies implement international standards and guidance. Agency staff noted that monitoring findings may nevertheless show that implementing a particular international standard would be impractical in a domestic context and may inform future revisions by standard-setting bodies.

Agency Leaders Oversee Standards Development, and Agencies Periodically Disclose Information to Congress as Required

Agencies Use Multilayered Internal Review and Approval Processes

Developing standards involves multiple layers of internal agency review and approval.[43] As shown in figure 4, we found that the banking agencies generally followed similar review steps across standard-setting bodies.

Figure 4: Federal Banking Agencies' Internal Review Process for International Standard-Setting



Source: GAO analysis of documentation from international standard-setting bodies and U.S. federal banking agencies; GAO (icons). | GAO-27-108190

Agency leadership approval of work plans. Agency leaders participate in the governing bodies of standard-setting bodies, where they approve work plans or priorities. For example, the Federal Reserve's Vice Chair for Supervision serves on the FSB governing body, the Federal Reserve Board Chairman serves on the CPMI governing body, and an FDIC senior

[43]To review the agencies' processes, we interviewed agency officials and reviewed documentation of agency review processes for the Basel Committee, CPMI, FSB, and IAIS. FDIC did not provide documentation related to its review processes for IADI.

executive serves on the IADI governing body.[44] Federal Reserve, FDIC, and OCC officials cited this participation as a key form of internal oversight. Agency officials told us that leadership communicates policy direction to staff involved in standards development.

Multilayered review of agency positions. Senior agency staff generally participate in standard-setting body committees that focus on specific topics or work areas, while other staff participate in working groups that carry out projects and work plans. Where an agency position is necessary, working group staff draft agency position papers to share with internal stakeholders. Senior officials, often committee representatives, review the work and provide feedback. For example, our review of FDIC documents showed that staff in a subgroup of the FSB Resolution Steering Group obtained approval on agency positions from FDIC's representative on the steering group. As we previously reported, senior officials at all three agencies reviewed Basel Committee working group activities.[45]

Working group staff also may consult internal subject matter experts and senior officials. For example, our review of Federal Reserve documentation on CPMI found that agency staff consulted relevant Federal Reserve committees and members of the Board of Governors on proposed positions. Officials from all three agencies told us that top leadership may also provide input depending on the issue.

Agency leadership provides final approval of agency positions. Agency leaders approve their respective agencies' official policy positions and represent their agencies in key meetings at standard-setting bodies. Approval responsibilities vary by agency and body:

- **Federal Reserve.** The Vice Chair for Supervision provides the final review of policy positions for FSB and IAIS, while the Federal Reserve Chairman reviews consultative and final publications for

[44]For the Basel Committee, the FDIC Chairman, the Federal Reserve's Vice Chair for Supervision, the Federal Reserve Board Chairman, the President of the Federal Reserve Bank of New York, and OCC's Comptroller of the Currency serve on its governing body. For IAIS, Federal Reserve officials told us that the Federal Reserve does not have a vote on its governing body. They also stated that the Federal Reserve has reduced its participation in IAIS as the percentage of the insurance industry it supervises has declined.

[45]GAO-25-107995.

CPMI.[46] For significant Basel Committee issues, Federal Reserve officials told us that the Chairman, Vice Chair for Supervision, and President of the Federal Reserve Bank of New York provide review. Less significant issues are approved by the committee representative in consultation with the Vice Chair for Supervision. Federal Reserve staff stated that different Federal Reserve officials have served in these roles in the past and the review process could change again in the future.

- **FDIC.** The FDIC Chairman is the primary official providing final review for policy positions related to the Basel Committee and FSB's Resolution Steering Group. FDIC officials said that it is uncommon for the agency to have formal positions for IADI because the body primarily focuses on knowledge sharing. When necessary, officials said the International Affairs Branch drafts the position, FDIC's representative on IADI's governing body reviews it, and the Chairman provides formal review.
- **OCC.** The Comptroller of the Currency provides final review of policy positions related to the Basel Committee.

Agencies Coordinate with Other Regulators as Part of Standards Development

All three federal banking agencies coordinated with their U.S. counterparts when their participation in standard-setting bodies overlapped, according to agency interviews and our review of documentation. Such coordination included sharing information and holding discussions in advance of meetings to align U.S. policy positions.

- **Basel Committee.** In our prior report, we found that U.S. agencies shared reform priorities and worked together to further them.[47] For example, agency representatives met several times a year to share updates and align negotiating strategies.
- **CPMI.** Federal Reserve staff told us that when CPMI and the International Organization of Securities Commissions collaborate on initiatives, Federal Reserve staff coordinate with participating staff from the Commodity Futures Trading Commission and SEC. Our review of Federal Reserve documents found that officials

[46]Federal Reserve officials told us that the Vice Chair for Supervision does not sit on the governing body of IAIS. Instead, a senior Federal Reserve official sits on the governing body and receives guidance and feedback from the Vice Chair for Supervision. Federal Reserve officials noted that delegated authorities sometimes change.

[47]GAO-25-107995.

identified other U.S. agencies' positions and sought to reconcile differences.

- **FSB.** Federal Reserve officials coordinated with Treasury and SEC on FSB participation and with FDIC on bank resolution issues, according to Federal Reserve staff. For example, our review of Federal Reserve documents indicated that the agency obtained Treasury and SEC staff views and coordinated with them before meetings. FDIC officials told us that the Federal Reserve and FDIC have shared information on the U.S. resolution framework and coordinated to resolve interagency issues to form unified positions.
- **IAIS.** According to officials, the Federal Reserve representative on IAIS's governing body coordinates, as needed, with staff from state insurance commissioners, the National Association of Insurance Commissioners, and Treasury's Federal Insurance Office. The representative also receives guidance from the Vice Chair for Supervision and helps coordinate U.S. policy development related to IAIS activities.
- **IADI.** FDIC officials told us that, as the only federal deposit insurer for banks, FDIC does not coordinate regularly with OCC and the Federal Reserve on IADI work but provides them updates on upcoming IADI publications.

External Oversight Includes Periodic Disclosure to Congress

The federal banking agencies are subject to several forms of external oversight and transparency related to their participation in developing international standards. These include congressional oversight, public consultations by standard-setting bodies, Offices of Inspector General and GAO audits, and information provided in annual reports.

Statutorily required testimonies and reports to Congress. Federal Reserve officials are required by law to appear before Congress at semiannual hearings on the agency's efforts, activities, objectives, and plans, among other matters.[48] In some of these hearings, Federal Reserve officials have discussed plans related to implementation of the Basel III framework. The Federal Reserve, in conjunction with Treasury, has also produced six reports to Congress on efforts related to global

[48]12 U.S.C. § 225b(a); 12 U.S.C. § 247b.

insurance forums, as required by statute.[49] These reports have included issues under discussion, potential effects of proposals, and positions taken during standards-development initiatives involving FSB and IAIS.[50] In addition, a Federal Reserve official testified in 2019 on activities related to global insurance forums.

All three federal banking agencies also are required by law to submit annual reports to Congress covering issues such as their operations and activities.[51] These laws do not specifically require reporting on standards-development activities.[52] However, the Federal Reserve and FDIC have provided information on their participation in standard-setting bodies as part of their annual reports from 2020 through 2024, and FDIC did so again in its 2025 report.[53] The Federal Reserve reported on significant activities and publications issued, while FDIC reported on activities in

[49]Economic Growth, Regulatory Relief, and Consumer Protection Act, Pub. L. No. 115-174, 132 Stat. 1296, 1317–18, reprinted at 31 U.S.C. § 313 note (requiring annual reports to congressional committees on efforts pertaining to global insurance regulator or supervisory forums, including a description of insurance regulatory or supervisory standard-setting issues under discussion at international standard-setting bodies, including the FSB and IAIS; a description of the effects that proposals could have on consumer and insurance markets in the U.S.; a description of any positions taken by Treasury, the Federal Reserve or the Federal Insurance Office in international insurance discussions; and a description of efforts taken to increase transparency at the FSB and IAIS).

[50]Department of the Treasury and the Board of Governors of the Federal Reserve System, *Engagement in Global Insurance Regulatory or Supervisory Forums in 2023* (Washington, D.C.: Dec. 2024); *Engagement in Global Insurance Regulatory or Supervisory Forums in 2022* (Washington, D.C.: Dec. 2023); *Engagement in Global Insurance Regulatory or Supervisory Forums in 2021* (Washington, D.C.: Dec. 2022); *Engagement in Global Insurance Regulatory or Supervisory Forums in 2020* (Washington, D.C.: Feb. 2022); *Report to Congress: Efforts of the U.S. Department of the Treasury and the Board of Governors of the Federal Reserve System with respect to Global Insurance Regulatory or Supervisory Forums in 2019* (Washington, D.C.: Dec. 2020); and *Report to Congress: Efforts of the U.S. Department of the Treasury and the Board of Governors of the Federal Reserve System with respect to Global Insurance Regulatory or Supervisory Forums in 2018* (Washington, D.C.: Sept. 2019).

[51]12 U.S.C. § 247, 12 U.S.C. § 1827, and 12 U.S.C. § 14.

[52]A bill introduced in the U.S. House of Representatives would have required annual reporting for certain international standard-setting activities of the federal banking agencies. However, this provision was not included in the text of the legislation that passed the House on July 21, 2026. Main Street Capital Access Act, H.R. 6955, 119th Cong. § 404 (2026).

[53]The Federal Reserve had not published its 2025 annual report as of September 2026.

which it participated.[54] OCC provided information on its participation in international standard-setting bodies in its 2021 and 2024 annual reports.[55]

Other congressional hearings and correspondence. Although FDIC and OCC do not have statutory requirements to testify semiannually, officials from both agencies have participated in the same semiannual hearings as Federal Reserve officials. At these hearings, FDIC and OCC officials have provided information on implementation of the Basel III framework. Officials from all three federal banking agencies also testified at other hearings examining international standard setting. For example, in March 2024, they testified about their engagement with international standard-setting bodies and development of international standards. FDIC officials also stated that as of June 6, 2025, the agency had received and responded to approximately 24 pieces of congressional correspondence on international standard-setting over the past 5 years. OCC and Federal Reserve officials similarly stated that the agencies respond to congressional requests for information on international financial standards development.

Most stakeholders we interviewed stated that they would welcome additional disclosures about the banking agencies' standard-setting activities because such disclosures could promote transparency and accountability.[56] However, they also noted that relevant information often

[54]See Board of Governors of the Federal Reserve System, *Report to Congress, 111th Annual Report of the Board of Governors of the Federal Reserve System, 2024* (Jan. 22, 2026); *Report to Congress, 110th Annual Report of the Board of Governors of the Federal Reserve System, 2023* (Sept. 6, 2024); *Report to Congress, 109th Annual Report of the Board of Governors of the Federal Reserve System, 2022* (Aug. 4, 2023); *Report to Congress, 108th Annual Report of the Board of Governors of the Federal Reserve System, 2021* (Aug. 11, 2022); and *107th Annual Report of the Board of Governors of the Federal Reserve System, 2021* (Aug. 26, 2021). Federal Deposit Insurance Corporation, *2025 Annual Report* (Washington, D.C.: Mar. 26, 2026); *2024 Annual Report* (Washington, D.C.: Mar. 20, 2025); *2023 Annual Report* (Washington, D.C.: Feb. 22, 2024); *2022 Annual Report* (Washington, D.C.: Apr. 10, 2023) *2021 Annual Report* (Washington, D.C.: Feb. 16, 2023); and *2020 Annual Report* (Washington, D.C.: Feb. 18, 2021).

[55]Office of the Comptroller of the Currency, *2021 Annual Report* (Washington, D.C.: Jan. 3, 2022); and *2024 Annual Report* (Washington, D.C.: Dec. 20, 2024).

[56]Of the 18 stakeholders we interviewed, two did not express a view on the benefits of additional disclosures and one indicated additional disclosures may not be useful for transparency and accountability because of the technical nature of international agreements, including financial standards.

is publicly available on agency or standard-setting body websites.[57] In addition, confidentiality expectations imposed by standard-setting bodies limit what members can publicly disclose.[58]

Public consultations. Federal Reserve, FDIC, and OCC officials cited standard-setting bodies' public consultation processes as oversight mechanisms that increase transparency. All international standard-setting bodies in which the agencies participate require or describe a public consultative process for developing standards. For example, FSB states that it issues consultations for all policy documents, and the Basel Committee posts public comments on policy proposals on its website. Officials from all three agencies agreed that such consultation leads to improved transparency and deliberation among members.

Most stakeholders we interviewed stated that collecting and considering stakeholder input provides transparency and accountability benefits. Some also said that such consultation enhances the legitimacy of standards development or improves the information available to agencies participating in international standard setting. Half of the stakeholders also noted that the banking agencies could use advance notices of proposed rulemaking or requests for information to collect relevant information.[59]

Auditor reviews. Officials from all three agencies told us reviews by their Offices of Inspector General and by GAO act as oversight mechanisms for standards development. Although each agency's Office of Inspector

[57]We interviewed eight academics, three private sector lawyers, and representatives of seven advocacy organizations. We refer to these 18 interviewees as stakeholders in this report. To quantify interviewee statements, "none" means 0 stakeholders made the applicable statement; 1 to 4 means very few stakeholders made the applicable statement; 5 to 8 means some stakeholders made the applicable statement; 9 means half of the stakeholders made the applicable statement; 10 to 13 means many of the stakeholders made the applicable statement; 14 to 17 means most stakeholders made the applicable statement; and 18 means all stakeholders made the applicable statement.

[58]For additional information on standard-setting confidentiality requirements, see GAO, *Bank Capital Reforms: The Office of the Comptroller of the Currency Should Clarify Policy for Retaining Documents*, GAO-26-108015 (Washington, D.C.: Jan. 29, 2026).

[59]For example, on August 4, 2003, the federal banking agencies issued an advance notice of proposed rulemaking seeking comment on certain proposals in the New Basel Capital Accord (Basel II) and how those could be implemented in the U.S. *Risk-Based Capital Guidelines; Implementation of New Basel Capital Accord*, 68 Fed. Reg. 45,900 (Aug. 4, 2003). This occurred while the Basel Committee was conducting a public consultation on the Basel II Framework, which accepted comments from April 29, 2003, through July 31, 2003. The Basel II Framework was published in June 2004.

General could review standards development, these reviews are not routine. Our review of the Office of Inspector General reports from January 2010 through June 2026 found that only FDIC's Office of Inspector General had issued a report that contains information relating to standards development.[60] The report focused on FDIC's implementation of its authority to liquidate failing financial companies and mentioned FDIC's international coordination efforts related to resolution planning. We have reported in recent years on the agencies' participation in developing Basel III standards, documentation related to the Basel Committee, and the Network for Greening the Financial System.[61] None of the stakeholders we interviewed recommended additional auditor reviews focused on the banking agencies' development of international standards.

Other Agencies Used Similar Oversight Mechanisms, but Additional Requirements Apply

The federal banking agencies' oversight mechanisms—such as internal guidance and review processes and disclosures about participation in international forums—are generally similar to those used by other selected U.S. agencies. However, some of the selected agencies are subject to additional legal or procedural requirements because they enter into legally binding international agreements, such as treaties.[62] For example, such agreements generally require review by the Department of State. According to officials, the banking agencies do not enter into legally

[60]See Office of the Inspector General, *The FDIC's Orderly Liquidation Authority, Eval-23-004* (Arlington, VA: Sept. 2023). The report does not directly evaluate FDIC's standards development activities but discusses FDIC's roles and responsibilities in international bodies. The Federal Reserve identified two reports issued by the Federal Reserve Office of Inspector General relating to standard-setting bodies. One report compared the Federal Reserve's approach to climate risk supervision to the approaches of other financial regulatory agencies and discussed a related Basel Committee standard, not the standards-development process. See Office of Inspector General, Board of Governors of the Federal Reserve System and Consumer Financial Protection Bureau, *The Board's Approach to Climate Risk Supervision at Financial Institutions* (Washington, D.C: July 31, 2023). A second report discussed how the Federal Reserve has established prudential standards, but the report does not directly connect to the Basel framework and does not discuss the development process of the standards. See Office of Inspector General, Board of Governors of the Federal Reserve System and Consumer Financial Protection Bureau, *Audit of the Board's Progress in Developing Enhanced Prudential Standards* (Washington, D.C: May 23, 2012).

[61]See GAO-25-107995; GAO-26-108015; and GAO, *International Collaboration: U.S. Banking Agencies' Participation in Climate Risk Network*, GAO-26-108020 (Washington, D.C.: Mar. 26, 2026).

[62]Legally binding international agreements include treaties, which must be approved in the Senate by a two-thirds vote and ratified by the President.

binding international agreements through the international standard-setting bodies in which they participate.

To identify oversight mechanisms at other selected U.S. agencies, we reviewed documents and interviewed officials from six selected agencies: SEC and the Departments of Commerce, Energy, State, Transportation, and the Treasury.

Guidance for Developing Legally Binding International Agreements and Nonbinding Instruments

Five of the six selected agencies participate in developing legally binding international agreements, and all six participate in developing nonbinding instruments, which may include standards.[63] Like the three federal banking agencies, these other agencies have internal guidance related to developing nonbinding instruments.[64] Additionally, because the other agencies develop legally binding international agreements that the federal banking agencies do not develop, they are subject to external requirements.

Legally binding international agreements. The Circular 175 Procedure is a Department of State process designed to ensure that U.S. government agencies have legal authority to negotiate and conclude legally binding international agreements.[65] For example, Energy enters into frameworks that contain general provisions for collaboration with foreign partner agencies and Transportation enters into air transportation agreements that establish the commercial framework for international air services. The procedure directs agencies to provide draft binding agreements to the Department of State for review. The five selected agencies that enter into legally binding international agreements (Commerce, Energy, State, Transportation, and Treasury) have internal guidance related to the Circular 175 Procedure, such as procedures for

[63]SEC officials said the agency generally does not enter into legally binding international agreements.

[64]FDIC has written guidance related to its participation in Basel Committee working groups, but not for FSB or IADI participation. OCC officials said that OCC's process for developing policy positions for international standards is the same as its process for developing domestic policy positions.

[65]Circular 175 describes several types of international agreements and requires disclosure of such agreements pursuant to the Case-Zablocki Act. 11 FAM 720, 726, 727. Department of State's regulations establish criteria to determine whether an international agreement exists within the meaning of the Case-Zablocki Act. 22 C.F.R. § 181.2. *See also* Circular 175. For more information on the implementation of the Case Zablocki Act, see GAO, *International Commitments: State Should Improve Timeliness and Completeness of Reporting to Congress*, GAO-26-108186 (Washington, D.C.: June 23, 2026).

determining whether Circular 175 requirements applied to the draft agreements.

Nonbinding international instruments. All six selected agencies have internal guidance related to developing nonbinding instruments. These nonbinding instruments include memorandums of understanding on information sharing and cooperation and voluntary technical standards.[66] In addition to agency guidance, the Office of Management and Budget's Circular A-119 provides guidance applicable to the voluntary technical standards developed by five of the agencies in our review: Commerce, Energy, State, Transportation, and Treasury. For example, Transportation participates in an international organization that sets standards for air safety and navigation. The circular addresses factors agencies should consider when deciding whether to use a voluntary technical standard and when they should participate in voluntary consensus standards bodies.

Like the federal banking agencies' internal review processes, the selected agencies' guidance for legally binding international agreements and nonbinding instruments generally includes a multilayered review process. For example, Treasury and Energy guidance call for the review process to include internal experts, legal counsel, and senior leadership, depending on the scope and significance of the binding agreement or nonbinding instrument. Transportation officials told us that standards development is iterative and can span multiple years and involve ongoing stakeholder participation and internal coordination.

Disclosure of Legally Binding International Agreements and Nonbinding Instruments and Participation in International Forums

As discussed previously, the federal banking agencies periodically disclose their participation in standard-setting bodies through testimony and annual reports. The other selected agencies disclosed legally binding international agreements and nonbinding instruments and participation in international forums through legally required reporting and voluntary public reporting, databases, and other means.

[66]According to Circular A-119, technical standards include common and repeated use of rules, conditions, guidelines or characteristics for products or related processes and production methods, and related management systems practices. In addition, technical standards include the definition of terms, classification of components, delineation of procedures, and specifications (such as of material and operations), measurements of size or strength as well as quality and quantity (such as in products, services, or practices), and test methods and sampling procedures.

Certain laws and regulations require disclosure of these legally binding international agreements and nonbinding instruments, and related activities. Examples include the following:

- **Case-Zablocki Act.** The act requires the Secretary of State to transmit monthly to Congress the text of legally binding international agreements and certain qualifying nonbinding instruments.[67] The Department of State is also required to publish these international agreements and qualifying nonbinding instruments on State.gov within 120 days after they enter into force or become operative, subject to certain exemptions. To ensure that the Department of State can comply with these requirements, agencies must transmit all such agreements or instruments to the Department of State's Office of Treaty Affairs within 15 days of signature or conclusion. Four of the selected agencies (Commerce, Energy, Transportation, and Treasury) have submitted such international agreements or qualifying nonbinding instruments to the Department of State.[68] SEC officials stated that, to date, the obligations under the Case-Zablocki Act have not applied to SEC's nonbinding instruments.
- **Circular A-119.** The Office of Management and Budget's Circular A-119 requires agencies to report annually to Commerce's National Institute of Standards and Technology on the use of voluntary standards. These reports include explanations for not using voluntary standards and information on their use during the previous fiscal year.[69] The National Institute of Standards and Technology has published annual reports on five of the selected agencies' (Commerce, Energy, State, Transportation, and Treasury) activities related to technical standards. In addition, Circular A-119 advises agencies to inform the public of ongoing or planned participation in standards-development activities supporting significant regulatory actions or international regulatory cooperation, but it does not specify what information agencies should provide or how they should provide it.

[67]12 U.S.C. § 112b. *See also* 22 C.F.R. §§ 181.2(a), 181.4.

[68]The Department of State must also publish the texts of the agency's own international agreements and qualifying nonbinding instruments.

[69]The circular directs agencies to use voluntary consensus standards in lieu of government-unique standards except where inconsistent with law or otherwise impractical.

Aside from these requirements, some of the selected agencies make additional voluntary disclosures of certain legally binding international agreements and nonbinding instruments and related activities. Five of the six selected agencies—Commerce, Energy, SEC, Transportation, and Treasury—published certain binding agreements and nonbinding instruments. For example, Transportation published binding air service agreements and nonbinding memorandums of cooperation with partner agencies on its website. Energy published binding agreements and nonbinding instruments on topics including energy supply and scientific cooperation in a web database. SEC published certain nonbinding memorandums of understanding, including those on enforcement and supervisory cooperation with its foreign counterparts.

The agencies also reported on international activities in public documents. For example, Commerce described international coordination efforts in its performance report. State, Transportation, and Treasury identified some of the international organizations in which they participate on their websites.

Congressional and Public Consultation

Internal agency guidance we reviewed did not include specific information on congressional consultation when developing international agreements and instruments. However, the Department of State's Circular 175 process provides for an assessment of whether congressional consultations are necessary regarding certain proposed international agreements.[70] Treasury officials stated that the agency consults Congress through responses to routine congressional inquiries and testimony at hearings.

Public consultation practices varied by agency and the international body involved.

- Treasury and SEC officials told us that the standard-setting bodies in which they participate typically provide opportunities for public consultations.
- Circular 175 allows the Secretary of State to determine whether public comment is warranted on an international agreement being negotiated.
- Circular A-119 encourages agencies to request information on standards development through informal means or through formal

[70]See Circular 175, 11 FAM 725.1(5).

mechanisms, such as requests for information, but does not require public consultation.

- Federal law requires the Secretary of State and Secretary of Transportation to consult on international air transportation matters with the Secretary of Commerce, Secretary of Defense, and other stakeholders, such as consumer groups, airport operators, and air carriers.[71] Transportation officials told us they have consulted major aviation companies on bilateral air transportation agreements and used events hosted by standard-setting bodies to gather feedback on existing or prospective agreements. Department of State officials said the agency consults with outside stakeholders on certain international agreements, as appropriate.

[71]49 U.S.C. § 40105.

Agency Comments

We provided a draft of this report to the Departments of Commerce, Energy, State, Transportation, and the Treasury, as well as FDIC, the Federal Reserve, OCC, and SEC for review and comment. FDIC, the Federal Reserve, OCC, and SEC provided technical comments, which we incorporated as appropriate. The Departments of Commerce, Energy, State, Transportation, and the Treasury did not have any comments on the report.

We are sending copies of this report to the appropriate congressional committees, the Chairman of the Board of Governors of the Federal Reserve System, Chairman of the Federal Deposit Insurance Corporation, Chairman of the Securities and Exchange Commission, Comptroller of the Currency, Secretary of Commerce, Secretary of Energy, Secretary of State, Secretary of Transportation, and Secretary of the Treasury. In addition, the report is available at no charge on the GAO website at https://www.gao.gov.

If you or your staff have any questions about this report, please contact me at clementsm@gao.gov. Contact points for our Offices of Congressional Relations and Media Relations may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix II.

Sincerely,

//SIGNED//

Michael E. Clements
Director, Financial Markets and Community Investment

Appendix I: Objectives, Scope, and Methodology

This report examines, for 2010 through 2025, (1) the extent to which federal banking agencies participated in the development of international standards; (2) how the federal banking agencies have implemented international standards and how standard-setting bodies promoted their implementation; (3) the mechanisms for overseeing the federal banking agencies' development of international standards; and (4) how those oversight mechanisms compare with the mechanisms other federal agencies use when developing legally binding international agreements and nonbinding international instruments.

For the first objective, we collected, reviewed, and summarized publicly available documentation, including prior GAO reports, federal banking agency and other federal government publications, standard-setting body publications, and literature search results on developing international agreements and non-binding instruments, which includes financial standards. We used this information to assess the extent of the federal banking agencies' participation in standard-setting bodies from 2010 through 2025. To approximate the total number of standards, guidelines, and informational publications the standard-setting bodies published, we downloaded the publications from the Financial Stability Board's (FSB) Compendium of Standards and from standard-setting body publication databases. We then asked each agency to provide information on the extent of its participation in each standard, guideline, and informational publication we identified.

For the second objective, we collected and analyzed information from the federal banking agencies that described how they implemented international standards, guidelines, and informational publications through rulemaking, supervisory guidance, and supervisory practices from 2010 through 2025. Using the publications list developed for the first objective, we asked each agency to identify any actions taken to implement each publication. We reviewed the agencies' responses together with implementation-monitoring reports from standard-setting bodies to describe how the agencies implemented international standards.

To assess agency implementation of standard-setting body guidelines and informational publications, we reviewed agency responses identifying applicable agency guidance and determined whether that guidance was issued before or after the corresponding standard-setting body publication. Guidance issued before the publication was counted as "existing" agency guidance. For interagency guidance, when one agency indicated that the guidance implemented or was consistent with a standard-setting body publication, we treated all agencies that jointly

issued the guidance as having implemented the publication. We excluded agency guidance associated only with updates to standard-setting body publications. We also reviewed guidelines and informational publications to determine their general target audiences, such as regulators or financial institutions.

We collected and summarized publicly available information on how standard-setting bodies promote the implementation of standards, such as through peer reviews and self-assessments. In addition, we interviewed federal banking agency officials on their international standard-setting activities and standard-setting body implementation-monitoring efforts.

For the third objective, we collected and analyzed information from the federal banking agencies, such as relevant agency policies and procedures, to identify their roles, responsibilities, processes, and oversight mechanisms for developing international standards. We used this information to describe the agencies' internal review and approval processes. In addition, we obtained and reviewed examples of Board of Governors of the Federal Reserve and Federal Deposit Insurance Corporation (FDIC) internal review processes for four standard-setting bodies: the Committee on Payments and Market Infrastructures, Financial Stability Board, International Association of Insurance Supervisors, and International Association of Deposit Insurers. For the Basel Committee on Banking Supervision, we used information collected for a prior GAO report to identify examples of the banking agencies' internal review processes.[1]

We also reviewed the governing documents of the standard-setting bodies in which the agencies participated to identify their processes for developing standards and the roles of agency representatives. In addition, we interviewed agency officials on the agencies' internal review processes for standards development.

To identify external oversight mechanisms for developing international financial standards, we reviewed the agencies' congressional reporting requirements and other publicly available documentation, including their annual reports and testimony statements. We reviewed available annual reports from 2010 through 2025 and public testimony statements from

[1]See GAO, *Bank Capital Reforms: U.S. Agencies' Participation in the Development of the International Basel Committee Standards*, GAO-25-107995 (Washington, D.C.: Mar. 26, 2025).

2020 through 2026.[2] We also searched the websites of the agencies' Offices of Inspector General for audit reports that were issued from January 2010 through June 2026 related to the agencies' processes for developing international standards. Additionally, we interviewed federal banking agency officials about their roles, responsibilities, and oversight mechanisms associated with developing international standards.

To identify other potential oversight mechanisms for the international financial standards-development process, we reviewed proposed legislation, academic studies, and federal government publications, including those from the Congressional Research Service.[3]

For all our objectives, we conducted interviews to discuss potential effects of adopting new or modifying existing oversight mechanisms. We interviewed officials from the federal banking agencies—FDIC, the Office of the Comptroller of the Currency, and the Board of Governors of the Federal Reserve System—as well as eight academics and three private sector lawyers with experience working on international agreements. We also interviewed representatives of seven advocacy organizations: the American Bankers Association, Bank Policy Institute, Better Markets, Independent Community Bankers of America, International Institute of Finance, Institute of International Bankers, and U.S. Chamber of Commerce. We selected these 18 individuals and organizations for their expertise in international standard setting or in developing international agreements or financial standards and to represent a range of views on the development and implementation of binding agreements and nonbinding instruments and the use of relevant oversight mechanisms.

For the fourth objective, we compared the banking agencies' oversight mechanisms with those used by other federal agencies when developing binding international arrangements, such as treaties, and nonbinding international instruments, such as voluntary technical standards. We judgmentally selected six federal agencies: the Departments of Commerce, Energy, State, Transportation, and the Treasury, and the Securities and Exchange Commission.

[2]As of September 2026, the Federal Reserve had not published its 2025 annual report.

[3]For example, we reviewed Congressional Research Service, *Introduction to Financial Services: International Regulation*, IF12741 (Washington, D.C.: Apr. 4, 2025) and *International Law and Agreements: Their Effect upon U.S. Law*, RL32528 (Washington, D.C.: July 13, 2024).

To inform our selection of agencies, we first approximated the number of binding agreements and nonbinding instruments that federal agencies entered into. We used an academic study of unclassified nonbinding instruments completed by 23 federal agencies from 1989 through 2019 and GovInfo.gov data on treaties from 1995 through August 2025.[4] GovInfo.gov is managed by the U.S. Government Publishing Office—a federal agency in the legislative branch—and provides public access to official publications from all three branches of the federal government. We also considered agency size, based on the number of employees, and whether the agency was independent. We prioritized agencies with relatively high numbers of binding agreements and nonbinding instruments and judgmentally selected agencies representing a range of sizes, including at least one independent agency.

We reviewed documentation from each of these six agencies, including relevant policies and procedures, and interviewed agency staff to identify oversight mechanisms for developing binding agreements and nonbinding instruments.

We conducted this performance audit from March 2025 to October 2026 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

[4]See Curtis A. Bradley, Jack L. Goldsmith, and Oona A. Hathaway, "The Rise of Nonbinding International Agreements: An Empirical, Comparative, and Normative Analysis," *University of Chicago Law Review* vol. 90, no. 5 (2023).

Appendix II: GAO Contact and Staff Acknowledgments

GAO Contact

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Staff Acknowledgments

In addition to the contact named above, Kevin Averyt (Assistant Director), Aaron Colsher (Analyst in Charge), Lauren Capitini, Garrett Hillyer, Marc Molino, Sean Worobec, and Weifei Zheng made significant contributions to this report.

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