

## Federal Financial Institutions Legislative and Regulatory Reporter

The Reporter provides a monthly summary of Canadian federal legislative and regulatory developments of relevance to federally regulated financial institutions. It does not address Canadian provincial financial services legislative and regulatory developments, although this information is tracked by BLG and can be provided on request. In addition, purely technical and administrative changes (such as changes to reporting forms) are not covered.

### June 2020

Institution	Published	Title and Brief Summary	Status
Financial Action Task Force (FATF)	June 30, 2020	<p><a href="#">Public consultation on FATF's Recommendation 1 and its Interpretive Note.</a></p> <p>The Financial Action Task Force (FATF) is considering proposals for amendments to Recommendation 1, and its Interpretive Note, to require countries and the private sector to identify, and assess the risks of potential breaches, non-implementation or evasion of the targeted financial sanctions (TFS) related to proliferation financing, (as contained in FATF Recommendation 7), and to take action to mitigate these risks. The draft text of proposals for amendments is available <a href="#">here</a>. Proposed amendments are in redline.</p> <p>The FATF is consulting all affected stakeholders before finalising these amendments. The full version of the FATF Recommendations is available <a href="#">here</a>.</p>	Consultation is active

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<b>Bank of Canada</b>	June 30, 2020	<p data-bbox="510 313 1549 337"><u>Bank of Canada partners with the Bank for International Settlements to launch innovation centre</u></p> <p data-bbox="510 367 1696 493">The Bank for International Settlements (BIS) and the Bank of Canada <u>announced</u> they will be launching a BIS Innovation Hub centre to advance fintech innovation within the central banking community. The centre will open in Toronto within two years and is one of four locations scheduled to open in North America and Europe.</p> <p data-bbox="510 522 1696 613">This partnership will advance the Bank's understanding of the digital economy and the technological transformation of financial services. It builds on the Bank's existing research and collaboration with partners in the central bank and technology communities on digital currencies and fintech.</p>	
<b>Financial Stability Board (FSB)</b>	June 30, 2020	<p data-bbox="510 691 1381 716"><u>RCG for the Americas Working Group on Non-Bank Intermediation: Fifth Report.</u></p> <p data-bbox="510 745 1612 906">This <u>report</u> presents the results from the fifth non-bank financial intermediation (NBFi) monitoring exercise in the Americas published by the Financial Stability Board Regional Consultative Group (RCG) for the Americas. The aim of this monitoring exercise is to assess the size, structure and trends of the NBFi sector in the region. This information is crucial in order to identify potential risks to financial stability at the jurisdiction level, as well as those arising from potential cross-border linkages.</p> <p data-bbox="510 935 1444 1027">The <u>report</u> concludes that total regional NBFi assets, reached over \$127trn at end-2018, experiencing only minimal growth of 0.15 per cent during 2018, which contrasts with an annualized growth of 5.6 per cent for the period between 2012 and 2017.</p> <p data-bbox="510 1057 1703 1114">The narrow measure, which is NBFi activities that may pose bank-like financial stability risks, reached \$22.9trn at end-2018, up from \$22.1trn at end-2017.</p>	

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<b>Bank of Canada</b>	June 29, 2020	<p><u>Operational details for upcoming secondary market purchases of Government of Canada securities (July 6-17)</u></p> <p>As previously announced, on April 1, 2020 the Bank of Canada (the Bank) launched a program to purchase Government of Canada securities in the secondary market – the Government Bond Purchase Program (GBPP). The GBPP operations for the two-week period that began on July 6 are below.</p> <p>The Bank conducted the following purchase operations the week of July 6:</p> <ul style="list-style-type: none"> <li>• Monday, July 6 in the 30-year sector.</li> <li>• Tuesday, July 7 in the short-end sector (less than 2-year).</li> <li>• Wednesday, July 8 in the 2-year sector.</li> <li>• Thursday, July 9 in the 10-year sector.</li> <li>• Friday, July 10 in the 5-year sector.</li> </ul> <p>The Bank conducted the following purchase operations the week of July 13:</p> <ul style="list-style-type: none"> <li>• Monday, July 13 in the 30-year sector.</li> <li>• Tuesday, July 14 in the short-end sector (less than two year).</li> <li>• Wednesday, July 15 in the two-year sector.</li> <li>• Thursday, July 16 in the five-year sector.</li> <li>• Friday, July 17 in the 10-year sector.</li> </ul> <p>NOTE: all operations will have a T+2 settlement unless otherwise stated.</p> <p>The secondary market purchases conducted by the Bank should settle with the Bank (CUID: BOCB) and not the Government of Canada.</p> <p>The Bank continues to monitor market developments closely and remains committed to supporting the liquidity and efficient functioning of the Government of Canada bond market.</p>	The GBPP is active

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Financial Stability Board (FSB)	June 28, 2020	<p data-bbox="510 313 1262 337"><u>Evaluation of the effects of too-big-to-fail reforms: consultation report.</u></p> <p data-bbox="510 367 1612 529">This report, for public consultation, provides an evaluation of too-big-to-fail (TBTF) reforms for systemically important banks. These reforms were endorsed by the G20 in the aftermath of the 2008 global financial crisis and have been implemented in FSB jurisdictions over the past decade. The evaluation examines the extent to which the reforms are reducing the systemic and moral hazard risks associated with systemically important banks, as well as their broader effects on the financial system.</p> <p data-bbox="510 558 911 583">The reforms being evaluated include:</p> <ul data-bbox="510 602 1717 789" style="list-style-type: none"> <li data-bbox="510 602 1717 659">• Standards for additional loss absorbency through capital surcharges and total loss-absorbing capacity requirements;</li> <li data-bbox="510 683 1535 708">• Recommendations for enhanced supervision and heightened supervisory expectations; and</li> <li data-bbox="510 732 1717 789">• Policies to put in place effective resolution regimes and resolution planning to improve the resolvability of banks.</li> </ul> <p data-bbox="510 818 926 842">In particular, the evaluation found that:</p> <ul data-bbox="510 862 1234 984" style="list-style-type: none"> <li data-bbox="510 862 1209 886">• TBTF reforms have made banks more resilient and resolvable;</li> <li data-bbox="510 911 1234 935">• The benefits of the reforms significantly outweigh the costs; and</li> <li data-bbox="510 959 989 984">• There are still gaps that need addressing.</li> </ul> <p data-bbox="510 1013 1654 1070">The evaluation was conducted before the onset of the COVID-19 pandemic, drawing on a broad range of information sources and is based on numerous empirical analyses and extensive stakeholder feedback.</p> <p data-bbox="510 1099 1486 1188">The FSB has also published a <u>technical appendix</u> to the evaluation, which provides the detailed empirical evidence for the conclusions reached. Estimates of the <u>social costs and benefits</u> of the TBTF reforms and a <u>Resolution Reform Index</u> were also published.</p> <p data-bbox="510 1218 1633 1308">Responses to the public consultation should be sent to <a href="mailto:fsb@fsb.org">fsb@fsb.org</a> by September 30, 2020 with “TBTF consultation” in the subject line. All responses will be published on the FSB website unless respondents request otherwise.</p>	Consultation is active

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<b>Financial Stability Board (FSB)</b>	June 25, 2020	<p><u>COVID-19, the Financial Stability Board and the G20 Financial Reform Agenda.</u></p> <p>Speaking on a Peterson Institute virtual panel, Dietrich Domanski set out the importance of internationally coordinated action to support a well-functioning, resilient financial system and open markets during the COVID-19 pandemic. He noted that the global financial system is more resilient and better placed to sustain financing to the real economy as a result of the G20 regulatory reforms in the aftermath of the 2008 global financial crisis.</p> <p>The complete statement by Dietrich Domanski is <a href="#">here</a>.</p>	
<b>Financial Action Task Force (FATF)</b>	June 25, 2020	<p><u>FATF's first global report on Money Laundering and the Illegal Wildlife Trade.</u></p> <p>The illegal wildlife trade is a major transnational organised crime, which generates billions of criminal proceeds each year. The Financial Action Task Force (FATF) has conducted a new <a href="#">study</a> to provide guidance to countries on measures they can take to combat money laundering from the illegal wildlife trade.</p> <p>Wildlife traffickers exploit weaknesses in the financial and non-financial sectors, to move, hide and launder their proceeds, enabling further wildlife crimes and damaging financial integrity. One of the most effective ways to identify the broader criminal networks and take the profit out of this crime, is to follow the financial trails of wildlife traffickers.</p> <p>Despite the significant criminal gains involved, countries and private sector are not prioritising efforts to trace and combat financial flows from this trade in line with risk. To combat the financial flows from the illegal wildlife trade, countries should:</p> <ol style="list-style-type: none"> <li>1. Identify and assess their money laundering risks relating to the illegal wildlife trade.</li> <li>2. Ensure that national laws and powers for law enforcement allow authorities to go after the finances of wildlife traffickers, and to pursue financial investigations.</li> </ol> <p>The private sector also has an important role to play in combatting financial flows from illegal wildlife trade. This study therefore identifies good practices and risk indicators to assist private sector and countries to identify potential suspicious financial activity for the illegal wildlife trade.</p> <p>This is the FATF's first global report on this topic. It draws on inputs and case studies from over 50 countries from across the <a href="#">FATF Global Network and observers</a>, as well as civil society and the United for Wildlife Financial Taskforce.</p>	

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<b>Financial Action Task Force (FATF)</b>	June 24, 2020	<p><a href="#">FATF Plenary, June 24 2020</a></p> <p>The third and final Plenary meeting under the Chinese Presidency of Xiangmin Liu took place on June 24, 2020. Due to COVID-19, the Plenary met virtually. At this challenging and unprecedented time, when millions of people around the world continue to struggle with the impact of the virus, the FATF is continuing its important work to stop money laundering and terrorist financing. Among the important issues on the Plenary agenda were:</p> <ul style="list-style-type: none"> <li>• The publication of an FATF report on money laundering from the illegal wildlife trade;</li> <li>• The publication of a report on the 12-month review of the implementation of FATF’s requirements on virtual assets and virtual asset service providers, which apply to the fast expanding cryptocurrency industry;</li> <li>• The publication of a report to the G20 on so-called “stablecoins”;</li> <li>• Developments in the financing of ISIL, Al-Qaeda and Affiliates; and</li> <li>• The priorities under the incoming German Presidency of the FATF.</li> </ul> <p>The Plenary agenda reflects the FATF’s decision in <a href="#">April</a> this year, to extend its assessment and follow-up process deadlines.</p>	
<b>Office of the Superintendent of Financial Institutions (OSFI)</b>	June 23, 2020	<p><a href="#">OSFI’s Domestic Stability Buffer level remains at 1 per cent</a></p> <p><a href="#">OSFI announced</a> that the Domestic Stability Buffer (DSB) will remain at 1 per cent of total risk-weighted assets, unchanged from the level set on <a href="#">March 13, 2020</a> as part of OSFI’s response to COVID-19.</p> <p>This decision reflects OSFI’s assessment that the current DSB level remains effective in supporting the resilience of the Canadian banking system and the overall economy. The DSB requires Canada’s six largest banks to set aside a portion of their capital during good times so they can draw down on that reserve in times of economic stress.</p> <p>OSFI reviews and sets the level of the Domestic Stability Buffer in a <a href="#">letter to industry</a> on a semi-annual basis (June and December), based on its ongoing monitoring of federally regulated financial institutions as well as system-wide and sectoral developments. Decisions on the calibration of the buffer are based on OSFI supervisory judgement, informed by its monitoring and analytical work on a range of vulnerabilities, and are made in consultation with OSFI’s federal financial regulatory partners.</p>	

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Bank for International Settlements (BIS)	June 23, 2020	<p><u>Capital treatment of securitizations of non-performing loans.</u></p> <p>The Basel Committee on Banking Supervision is publishing this <u>technical amendment</u> to address a gap in the regulatory framework and set out a prudent treatment for securitisations of non-performing loans. The Committee was developing the proposal before the onset of the COVID-19 pandemic.</p> <p>The technical amendment establishes a 100 per cent risk weight for certain senior tranches of non-performing loan securitisations. The risk weight applicable to the other positions are determined by the existing hierarchy of approaches, in conjunction with a 100 per cent risk weight floor and a ban on the use of certain inputs for capital requirements. The present amendment does not change the applicable capital requirements to securitisations of performing assets.</p>	Solicitation of comments active
Bank of Canada	June 16, 2020	<u>Opening Statement before the House of Commons Standing Committee on Finance.</u>	
Financial Transactions and Reports Analysis Centre of Canada (FINTRAC)	June 12, 2020	<p><u>Money Services Businesses (MSB) Registry Search Engine Listings.</u></p> <p>Because of COVID-19 pandemic-related restrictions, FINTRAC is not able to update the <u>Money services businesses (MSBs) registry search engine</u> with virtual currency money services businesses' information.</p> <p>All the information in the registry is up to date and accurate, except for the following:</p> <ul style="list-style-type: none"> <li>• <b>MSBs exclusively “dealing in virtual currency”</b> will not display in the search engine results. They will be listed in the table below.</li> <li>• <b>MSBs that have added “dealing in virtual currency”</b> to the list of services they provide will continue to display in the search engine results, however, “dealing in virtual currency” will not appear as a service they offer. Please contact <a href="mailto:msb-esm@fintrac-canafe.gc.ca">msb-esm@fintrac-canafe.gc.ca</a> to find out whether a registered MSB offers “dealing in virtual currency” services. Please include the MSB’s name and registration number to your email for faster service.</li> </ul> <p>This webpage will be updated every two weeks until they can integrate the above-mentioned information to the Money Services Businesses registry search.</p>	

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Canada Gazette, Part II	June 10, 2020	<p data-bbox="510 313 1566 375"><u><i>Regulations Amending the Regulations Amending Certain Regulations Made Under the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, 2019: SOR/2020-112</i></u></p> <p data-bbox="510 399 1612 529">On June 10, <i>Regulations Amending the Regulations Amending Certain Regulations Made Under the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, 2019</i> (the Regulations Amending the Amending Regulations) ) were published in the Canada Gazette. Among the changes, all reporting entity sectors will have obligations regarding politically exposed persons and beneficial ownership.</p> <p data-bbox="510 553 1671 683">These Regulations Amending the Amending Regulations, along with <i>Regulations Amending Certain Regulations Made Under the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, 2019</i> (the Amending Regulations) previously published on June 25, 2019 in the Canada Gazette, together amend the five existing regulations under the <i>Proceeds of Crime (Money Laundering) and Terrorist Financing Act</i>:</p> <p data-bbox="510 708 1524 837">The transition period and coming into force dates of the Regulations Amending the Amending Regulations will align with the previously published Amending Regulations. The amendments to the previous amendments to the <i>Cross-border Currency and Monetary Instruments Reporting Regulations</i> came into force on June 1, 2020.</p> <p data-bbox="510 862 1709 1032">All other amendments amending the previous regulatory amendments will come into force on June 1, 2021, giving stakeholders 12 months to comply with the new requirements and apply the required changes to their systems. This transition period is intended to limit impacts on industry and avoid any unnecessary costs where possible. The phased-in approach of these changes will also help facilitate industry readiness for the coming into force of the regulatory amendments and reduce costs to implement the changes.</p>	These Regulations Amending the Amending Regulations are in force.
Office of the Superintendent of Financial Institutions (OSFI)	June 8, 2020	<p data-bbox="510 1105 1230 1130"><u>Updates to the 2020 Regulatory Return Implementation Deadlines</u></p> <p data-bbox="510 1154 1619 1252">Changes to the 2020/21 Deposit-Taking Institutions (DTI) regulatory return implementation deadlines have been made. The list of affected returns can be found within the <a href="#">attached letter</a>. Questions can be directed to <a href="mailto:RA-RRS.Support@osfi-bsif.gc.ca">RA-RRS.Support@osfi-bsif.gc.ca</a>, <i>Regulatory Data Management</i>.</p>	Effective



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Bank of Canada	June 5, 2020	<p data-bbox="510 313 1241 337"><u>CARR welcomes MX's listing of new Three-Month CORRA Futures.</u></p> <p data-bbox="510 383 1560 513">The Canadian Alternative Reference Rate working group (CARR) welcomed Montréal Exchange's (MX) <u>notice</u> that it launched its new Three-Month Canadian Overnight Repo Rate Average (CORRA) Futures contract for trading on June 12, 2020. This launch date coincides with the Bank of Canada <u>taking over of responsibility</u> for publishing CORRA on June 15, 2020.</p> <p data-bbox="510 537 1356 561">The CARR co-chairs issued the following statement about the announcement:</p> <p data-bbox="510 589 1549 719">“CARR members applaud the Montréal Exchange on the launch of its new three-month CORRA futures contract. Developing a robust futures market is an important step in establishing CORRA as a key interest rate benchmark in Canada. CARR members thank MX for their diligent efforts in developing this contract and look forward to its widespread use.”</p> <p data-bbox="510 743 1423 841"><u>CARR</u> is a group of financial sector firms and public sector institutions working to promote the use of CORRA as a key interest rate benchmark in Canada. CARR was established under the auspices of the <u>Canadian Fixed Income Forum</u>.</p>	

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Office of the Superintendent of Financial Institutions (OSFI)	June 4, 2020	<p data-bbox="510 313 1360 337"><u>New agreement respecting the supervision of multi-jurisdictional pension plans</u></p> <p data-bbox="510 367 1457 423">The Department of Finance Canada has <u>announced</u> the signing of the <u>2020 Agreement Respecting Multi-Jurisdictional Pension Plans (2020 Agreement)</u>.</p> <p data-bbox="510 453 1587 545">The federal government, together with governments of British Columbia, Alberta, Saskatchewan, Ontario, Québec, New Brunswick and Nova Scotia, has signed the 2020 Agreement to simplify and clarify the supervision of pension plans in Canada with members in more than one jurisdiction.</p> <p data-bbox="510 574 1493 631">The Canadian Association of Pension Supervisory Authorities (CAPSA) developed the 2020 Agreement in order to co-ordinate and harmonize pension regulation across Canada.</p> <p data-bbox="510 660 1003 685">Among other elements, the 2020 Agreement:</p> <ul data-bbox="510 709 1717 1019" style="list-style-type: none"> <li data-bbox="510 709 1619 734">• Requires that a multi-jurisdictional plan only register with one pension regulator (the major authority);</li> <li data-bbox="510 756 1079 781">• Sets out rules for determining the major authority;</li> <li data-bbox="510 803 1717 860">• Provides that certain requirements of the major authority’s pension legislation such as plan-wide funding and investment requirements will apply to the entire plan;</li> <li data-bbox="510 883 1717 940">• Requires that the final location approach be used to determine a plan member’s benefits where the member has been employed in more than one jurisdiction while a member of the plan; and</li> <li data-bbox="510 963 1717 1019">• Sets out clear rules for allocating the assets of a plan between jurisdictions in the event of a plan termination and wind up or a plan split.</li> </ul> <p data-bbox="510 1049 1518 1105">Please refer to CAPSA’s <u>news release</u> and OSFI’s new <u>FAQ series</u> for additional details on the 2020 Agreement.</p> <p data-bbox="510 1135 1104 1159">The 2020 Agreement came into effect on July 1, 2020.</p>	July 1, 2020

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Office of the Superintendent of Financial Institutions (OSFI)	May 29, 2020	<p data-bbox="510 313 1419 337"><u>Coming into force date for solvency special payments moratorium and related FAQs</u></p> <p data-bbox="510 367 1524 459">The Department of Finance Canada <u>announced</u> the coming into force of the new <i>Solvency Special Payments Relief Regulations, 2020</i>. The regulations came into force on May 27, 2020 and are expected to be published in the Canada Gazette, Part II on June 10, 2020.</p> <p data-bbox="510 488 1560 613">The regulations provide funding relief to plan sponsors whose pension plans have a solvency deficiency, and who are normally required to make monthly payments to fund the deficiency and/or address their obligations through the use of letters of credit. The Minister of Finance previously announced the government's intention to provide this temporary relief on April 15, 2020.</p> <p data-bbox="510 643 1656 735">Under the regulations, from the coming-into-force date (May 27, 2020) until December 30, 2020, federally regulated defined benefit pension plan sponsors are not required to make solvency special payments. The regulations also provide accommodations for solvency special payments made since April 1, 2020.</p> <p data-bbox="510 764 1656 824">OSFI has added a new funding relief section to its COVID-19 FAQ series with additional details for defined benefit plan administrators on the new regulations.</p>	Effective May 27, 2020
Office of the Superintendent of Financial Institutions (OSFI)	May 29, 2020	<p data-bbox="510 898 1283 922"><u>Review of the 30th Actuarial Report on the Canada Pension Plan (CPP)</u></p> <p data-bbox="510 951 1444 1011">The Office of the Chief Actuary (OCA) has released the findings of an external panel commissioned to review the <u>30th Actuarial Report on the Canada Pension Plan (CPP)</u>.</p> <p data-bbox="510 1040 1572 1101">The external peer review panel's findings confirm that the work performed by the OCA on the 30th Report complied with all relevant professional standards of practice and statutory requirements.</p>	

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<b>Financial Stability Board (FSB)</b>	May 28, 2020	<p><u>FSB Europe group discusses financial vulnerabilities and responses to the COVID-19 pandemic</u></p> <p>The Financial Stability Board (FSB) Regional Consultative Group (RCG) for Europe held a conference call to discuss global and regional macroeconomic and financial market developments and their potential impact on European economies.</p> <p>Members exchanged views on the latest financial stability implications of COVID-19, including the wide range of policy measures authorities have taken to sustain the supply of credit to the real economy, to support financial intermediation, and to preserve the functioning and resilience of the global financial system, as well as their effectiveness. The group highlighted the importance of stress tests concerning banks' asset quality and lending capacity, and of considering how policy measures might need to evolve over time.</p> <p>The group also received an update on the FSB's work program, which has been re-prioritized to focus on responding to the impact of COVID-19 on the financial system. Members welcomed the FSB's policy work on enhancing global payment systems, LIBOR transition and other areas to promote a strong global financial system that supports the real economy.</p>	
<b>International Association of Insurance Supervisors (IAIS)</b>	May 28, 2020	<p><u>Statement from Jonathan Dixon, Secretary General, on the 2020 Annual General Meeting (AGM) and Annual Conference, scheduled for 2 – 6 November in Santiago, Chile</u></p> <p>In light of the current situation with COVID-19, it is with great regret that, in consultation with our host the Comisión para el Mercado Financiero, the IAIS' Executive Committee has made the difficult decision to cancel our 2020 Annual General Meeting (AGM) and Annual Conference, scheduled for 2 – 6 November in Santiago, Chile.</p> <p>While it is unfortunate that the IAIS will be unable to go ahead with the November event as planned, we recognize that the evolving situation related to COVID-19 makes organizing a high quality in-person event very difficult. To facilitate Member and stakeholder engagement and ensure that we can conduct the necessary business of the IAIS, the following alternative plans are being put in place:</p> <ul style="list-style-type: none"> <li>• Committee meetings: while the in person meetings in Chile will be cancelled, the IAIS will hold Committee meetings, most likely through virtual means, during November as planned;</li> <li>• AGM: the AGM will be held through virtual means during November; and</li> <li>• Annual Conference: the Secretariat is developing a program for a virtual Annual Conference to be held in November.</li> </ul>	

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<b>Bank of Canada</b>	May 28, 2020	<p data-bbox="510 313 1140 337"><u>Bank of Canada asks retailers to continue accepting cash</u></p> <p data-bbox="510 367 1598 565">The Bank encourages Canadians to use the method of payment that they are the most comfortable. However, the Bank strongly advocates that retailers continue to accept cash to ensure Canadians have access to the goods and services they need. Those refusing cash purchases outright will put an undue burden on those who depend on cash and have limited payment options. The Bank is working with financial institutions to ensure that there is no disruption to the cash supply during this exceptional time, so Canadians can continue to have access to cash when they need it.</p>	
<b>International Association of Insurance Supervisors (IAIS)</b>	May 28, 2020	<p data-bbox="510 656 1283 680">The IAIS Executive Committee Dialogue event was held June 25, 2020.</p> <p data-bbox="510 709 1625 766">With the cancellation of its June in- person Global Seminar, the Executive Committee leadership invited stakeholders to join a virtual dialogue on June 25, 2020.</p> <p data-bbox="510 812 1625 906">The dialogue focused on COVID-19, updated stakeholders on the IAIS' current Roadmap activities and provided stakeholders with an opportunity to ask questions to leadership and share their perspectives and views.</p> <p data-bbox="510 951 1108 976">If you have any questions, please contact <a href="mailto:IAIS@bis.org">IAIS@bis.org</a>.</p>	
<b>Joint Publication: Financial Stability Board; IAIS; BIS; International Organization of Securities Commissions</b>	May 26, 2020	<p data-bbox="510 1015 1360 1039"><u>Financial policymakers discuss responses to COVID-19 with the private sector</u></p> <p data-bbox="510 1068 1703 1263">Financial policymakers and international standard setters met virtually with private sector executives to discuss international policy responses to COVID-19. The meeting explored the effectiveness of prudential and other financial policy measures taken to date, including experiences with their implementation. Participants also discussed policy issues going forward, notably how financial institutions can better cope with the challenges resulting from rising solvency risks, and exchanged views on potential areas that may warrant further policy coordination.</p>	

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<b>Bank of Canada</b>	May 26, 2020	<p data-bbox="510 313 1591 337"><u>Parliamentary Appearance by the Governor and the Senior Deputy Governor of the Bank of Canada</u></p> <p data-bbox="510 367 1696 427">On May 26, 2020, Stephen S. Poloz, Governor of the Bank of Canada, and Carolyn A. Wilkins, Senior Deputy Governor, appeared by videoconference before the Standing Senate Committee on National Finance.</p> <p data-bbox="510 453 1465 480">The Opening Statement before the Senate National Finance Committee is available <a href="#">here</a>.</p>	
<b>Bank of Canada</b>	May 19, 2020	<p data-bbox="510 553 1182 578"><u>Operational details for the Corporate Bond Purchase Program</u></p> <p data-bbox="510 607 1625 699">As <a href="#">announced on April 15, 2020</a>, the Bank of Canada launched its Corporate Bond Purchase Program (CBPP) on May 26, 2020. The CBPP will support the liquidity and proper functioning of the corporate debt market, by purchasing bonds in the secondary market through a tender offer process.</p> <p data-bbox="510 725 1440 753">Additional operational details on the CBPP including the term sheet are available <a href="#">here</a>.</p> <p data-bbox="510 763 1409 823">All information on this program, including program size, duration, pricing, reporting, eligibility of assets and a list of eligible issuers is available on the CBPP webpage.</p> <p data-bbox="510 849 1377 943">The Bank's purchases of corporate bonds will aim to reflect a reference portfolio based on sectoral shares of eligible bonds outstanding. Actual holdings will depend on market conditions and what bonds are offered to the Bank.</p>	

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<b>Bank of Canada</b>	May 15, 2020	<p data-bbox="512 313 1335 337"><u>Release of the 2019 Bank of Canada FMI Oversight Activities Annual Report</u></p> <p data-bbox="512 367 1503 459">The Bank of Canada published the <i>Bank of Canada Oversight Activities for Financial Market Infrastructures 2019 Annual Report</i> (the Report) on its oversight of payment clearing and settlement systems, which are also known as financial market infrastructures (FMIs).</p> <p data-bbox="512 488 1388 581">The Bank has a <u>mandate</u> to ensure that designated FMIs are following sound risk management practices. The Report outlines how the Bank fulfills this mandate and provides stakeholders with information about the following:</p> <ul data-bbox="512 602 1717 800" style="list-style-type: none"> <li data-bbox="512 602 1003 626">• The Bank’s approach to oversight of FMIs;</li> <li data-bbox="512 651 1430 675">• Improvements designated FMIs made to their risk management practices in 2019;</li> <li data-bbox="512 699 1717 756">• Expectations set out by the Bank for designated FMIs to enhance their risk management practices in 2020 and beyond; and</li> <li data-bbox="512 781 1010 805">• Oversight activities conducted by the Bank.</li> </ul> <p data-bbox="512 829 1539 1027">Throughout 2019, designated FMIs continued to enhance their risk management practices in key areas and address any gaps previously identified by the Bank. This includes making advancements in their modernization initiatives and all other outstanding priorities. As a result of the COVID-19 pandemic, FMIs are likely to see some delays on long-term projects, including modernization programs and other oversight priorities. Nonetheless, the Bank expects FMIs to adjust to the new environment and continue making progress on these important initiatives.</p> <p data-bbox="512 1052 1717 1182">The Bank also made significant progress on its own oversight priorities. Notably by advancing an FMI resolution regime for Canada, contributing to the work of international committees, and strengthening the cyber resiliency of FMIs and the financial sector more broadly. Beyond this, the Bank continued to conduct research to deepen the understanding of issues related to FMIs and the Bank’s oversight function.</p>	
<b>Bank of Canada</b>	May 15, 2020	<p data-bbox="512 1255 1003 1279"><u>Release of the Financial System Review 2020</u></p> <p data-bbox="512 1308 1717 1401">COVID-19 is an unprecedented shock for the Canadian economy. This <i>Financial System Review</i>, identifies the effects on financial stability and explains how recent actions by the Bank of Canada and other policy-makers help Canadians through a very challenging time.</p>	

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Financial Stability Board (FSB)	May 8, 2020	<p data-bbox="510 313 1077 337"><u>FSB compensation workshop 2019: Key takeaways</u></p> <p data-bbox="510 367 1587 529">This <a href="#">note</a> provides key takeaways from a November 2019 workshop with banks, insurance and asset management firms, trade associations and academia on the implementation of compensation reforms. As part of its work to monitor implementation of its <i>Principles for Sound Compensation Practices and their Implementation Standards</i>, the FSB engages regularly with firms across financial sectors to assess the extent to which the standards are implemented effectively.</p> <p data-bbox="510 558 806 583">This workshop focused on:</p> <ol data-bbox="510 602 1717 943" style="list-style-type: none"> <li data-bbox="510 602 1717 662">3. Assessing the effectiveness of compensation policies – the discussion considered the steps firms are taking to assess the effectiveness of compensation policies and practices they have established and implemented.</li> <li data-bbox="510 683 1430 743">4. Use of data by firms as part of compensation practices – participants considered how firms use data to implement compensation policies and practices.</li> <li data-bbox="510 764 1430 857">5. Regulatory and legal issues – the discussion focused on the extent to which legal barriers and conflicts between elements of the Principles and Standards and regulatory frameworks exist, and possible steps to address these.</li> <li data-bbox="510 878 1587 938">6. Developments on compensation and risk alignment research – participants discussed academic research and empirical evidence on the effectiveness of compensation and risk alignment.</li> </ol> <p data-bbox="510 967 1539 1024">The takeaways from the workshop are an input into the FSB's ongoing work to assess effective compensation practices.</p>	



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Office of the Superintendent of Financial Institutions (OSFI)	May 7, 2020	<p data-bbox="512 313 1203 337"><u>OSFI revises private pension plan directives related to portability</u></p> <p data-bbox="512 367 1692 529">OSFI has revised the <i>Directives of the Superintendent pursuant to the Pension Benefits Standards Act, 1985</i> (the Directives) to provide the Superintendent's automatic consent to portability transfers to locked-in vehicles for members who are eligible for early retirement subject to specific conditions. Refer to question four in the <a href="#">FAQs</a> for more information on the changes. Administrators may still request the Superintendent's consent for other transfers or annuity purchases based on plan-specific or special circumstances.</p> <p data-bbox="512 573 1703 703">The revisions to the Directives provide some easing of the portability freeze that has been in place since March 27, 2020, while maintaining prudent restrictions on portability transfers and annuity purchases from defined benefit pension plans. OSFI will continue to monitor the impact of the COVID-19 crisis on pension plans and may adjust the Directives further as warranted.</p>	
Financial Transactions and Reports Analysis Centre of Canada (FINTRAC)	May 5, 2020	<p data-bbox="512 776 1230 800">Updated <a href="#">FINTRAC interpretation notices and policy interpretations</a></p> <p data-bbox="512 829 779 854">Recent updates include:</p> <ul data-bbox="512 878 1230 1222" style="list-style-type: none"> <li data-bbox="512 878 1171 902">• <a href="#">Use of the driver's licence under the dual process method</a></li> <li data-bbox="512 922 1182 946">• <a href="#">Documents vs. information under the dual process method</a></li> <li data-bbox="512 966 1230 990">• <a href="#">Updating client identification information for ongoing monitoring</a></li> <li data-bbox="512 1010 989 1034">• <a href="#">Occupation for record-keeping purposes</a></li> <li data-bbox="512 1053 646 1078">• <a href="#">Device ID</a></li> <li data-bbox="512 1097 1052 1122">• <a href="#">Investment Fund Managers and the PCMLTFA</a></li> <li data-bbox="512 1141 1178 1166">• <a href="#">Electronic image of a document for identification purposes</a></li> <li data-bbox="512 1185 978 1209">• <a href="#">Record for government-issued photo ID</a></li> </ul>	

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<b>Financial Stability Board (FSB)</b>	May 4, 2020	<p><u>Guidance on financial resources to support CCP resolution and on the treatment of CCP equity in resolution: Consultative document</u></p> <p>This public <a href="#">consultation report</a> provides guidance that will assist central counterparty (CCP) resolution authorities, and is based on the concepts included in a discussion paper the FSB published in 2018. Part I of the guidance proposes five steps to guide the authorities in assessing the adequacy of a CCP's financial resources and the potential financial stability implications of their use. Part II addresses the treatment of CCP equity in resolution. It provides a framework for resolution authorities to evaluate the exposure of CCP equity to losses in recovery, liquidation and resolution and how (where it is possible) the treatment of CCP equity in resolution could be adjusted.</p>	
<b>Office of the Superintendent of Financial Institutions (OSFI)</b>	May 1, 2020	<p><u>Expectations on the use of Pillar II capital buffers for DTIs using the Standardized Approach to credit risk</u></p> <p>OSFI continues to monitor actively the COVID-19 pandemic and is providing additional information on expectations surrounding capital management for deposit-taking institutions (DTIs). This includes:</p> <ul style="list-style-type: none"> <li>• An overview of capital expectations for domestic systemically important banks (D-SIBs) and for small and medium-sized banks (SMSBs), together referred to as DTIs;</li> <li>• Use of Pillar II capital buffers by DTIs using the Standardized Approach to credit risk; and</li> <li>• Expectations for all DTIs on prudent capital management actions in the current environment</li> </ul> <p>For details, see this <a href="#">release</a>.</p>	
<b>Government of Canada</b>	May 1, 2020	<p><u>Government of Canada appoints Tiff Macklem as next Governor of the Bank of Canada</u></p> <p>Former Finance Minister, Bill Morneau, announced that Tiff Macklem has been appointed Governor of the Bank of Canada. Macklem replaces Stephen S. Poloz, who has led the Bank since 2013, and completed his seven-year term on June 3, 2020.</p>	Effective June 3, 2020

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Bank of Canada	April 30, 2020	<p data-bbox="512 313 1178 337"><u>Operational details for the Provincial Bond Purchase Program</u></p> <p data-bbox="512 367 1423 459">As announced on April 15, 2020, the Bank of Canada is launched its Provincial Bond Purchase Program (PBPP), effective May 7, 2020. The PBPP will help support the liquidity and efficiency of provincial government funding markets.</p> <p data-bbox="512 488 1440 581">Additional operational details on the PBPP including the term sheet are available on a dedicated <u>webpage</u>. All information on this program, including program size, duration, pricing and eligibility of assets and issuers are available on the PBPP webpage.</p>	Effective May 7, 2020
Government of Canada	Canada Gazette, Part II, April 29, 2020	<p data-bbox="512 621 1545 714"><u>Regulations Amending the Administrative Monetary Penalties (OSFI) Regulations (Miscellaneous Program): SOR/2020-68</u> The Regulations Amending the Administrative Monetary Penalties Regulations (OSFI) (Miscellaneous Program) amend the Regulations to:</p> <ul data-bbox="512 735 1724 889" style="list-style-type: none"> <li data-bbox="512 735 1724 800">• Repeal obsolete or spent regulatory provisions which have no current application, as the relevant provisions of the federal financial statutes were repealed in 2007;</li> <li data-bbox="512 816 1035 841">• Correct references to section numbering; and</li> <li data-bbox="512 857 1598 889">• Add clarity to a regulatory provision by removing imprecise language in the short-form description.</li> </ul> <p data-bbox="512 914 1560 1076">Specifically, the current short-form description for item 30 of the Schedule reads, “Failure to comply without delay with a direction to maintain copies of records or further process information in Canada.” Although the short-form description is inserted for convenience of reference only, the current language does not fully capture the underlying legislative provisions and has been simplified to read: “Failure to comply without delay with a direction of the Superintendent.”</p> <p data-bbox="512 1105 1696 1271">The correction of inaccuracies in the Schedule will enhance the ability of the OSFI to enforce compliance with key legislative and regulatory provisions, including through the ability under the Regulations to impose an administrative monetary penalty for non-compliance with an order or direction of the Superintendent. Corrections will also improve clarity for regulated federal financial institutions and other stakeholders regarding requirements under the financial sector statutes and associated regulations.</p>	

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Bank for International Settlements (BIS)	April 29, 2020	<p data-bbox="512 313 1451 337"><u>Progress in adopting the Principles for effective risk data aggregation and risk reporting</u></p> <p data-bbox="512 363 1688 493">The Basel Committee on Banking Supervision published its <u>latest progress report</u> on banks' implementation of the <i>Principles for effective risk data aggregation and reporting. Issued in January 2013</i>, the Principles aim to strengthen banks' risk data aggregation and risk reporting with a view to improving their risk management, decision-making processes and resolvability.</p>	
Financial Transactions and Reports Analysis Centre of Canada (FINTRAC)		<p data-bbox="512 570 1121 594"><u>Update to reporting suspicious transactions to FINTRAC</u></p> <p data-bbox="512 620 1146 644">This guidance provides information on the following topics:</p> <ul style="list-style-type: none"> <li data-bbox="512 670 1094 695">7. When must a suspicious transaction be reported?</li> <li data-bbox="512 721 863 745">8. Service provider agreements</li> <li data-bbox="512 771 779 795">9. How to submit STRs</li> <li data-bbox="512 821 1041 846">10. Review and validation of reports by FINTRAC</li> <li data-bbox="512 872 831 896">11. Completing the STR form</li> <li data-bbox="512 922 863 946">12. Field completion instructions</li> </ul> <p data-bbox="512 972 1068 997">This guidance will come into force on June 1, 2020.</p>	Effective June 1, 2020
Financial Action Task Force (FATF)	April 28, 2020	<p data-bbox="512 1052 1373 1076"><u>FATF extends its assessment and follow-up deadlines in response to COVID-19</u></p> <p data-bbox="512 1102 1661 1159">The FATF Plenary has agreed to temporarily postpone all remaining FATF mutual evaluations and follow-up deadlines. The new mutual evaluation schedule is available <u>here</u>.</p> <p data-bbox="512 1208 1646 1442">Likewise, the FATF has decided on a general pause in the review process for the list of high-risk jurisdictions subject to a call for action and jurisdictions subject to increased monitoring, by granting jurisdictions an additional four months for deadlines. Thus, the FATF did not review them in June. Mongolia and Iceland however requested not to extend their deadlines, and continue on their current schedule. In light of this request, and the limited number of their remaining action plan items, their follow-up deadlines have not been postponed and the FATF issued updated statements on them in June. The FATF is closely monitoring the situation as it evolves and will review the deadlines where necessary.</p>	

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<b>Government of Canada, Minister of Finance</b>	April 24, 2020	<p>Re: <i>Budget Implementation Act, 2018, No. 2</i>, <u>Order in Council</u>, PC Number: 2020-0274</p> <p>Her Excellency the Governor General in Council, on the recommendation of the Minister of Finance, pursuant to subsection 351(1) of the <i>Budget Implementation Act, 2018, No. 2</i>, chapter 27 of the Statutes of Canada, 2018, fixes April 30, 2020 as the day on which sections 331, 332, 337 and 338, subsection 342(2) and sections 344 to 347 and 350 of that Act come into force.</p>	Effective April 30, 2020
<b>Bank of Canada</b>	April 24, 2020	<p><u>Bank of Canada Announces Further Enhancements to its Standing Term Liquidity Facility (STLF)</u></p> <p>Following the <u>launch</u> of the Bank of Canada's new Standing Term Liquidity Facility (STLF), the <u>terms and conditions</u> have been revised to include term of up to 90 days. Renewal and early repayment are at the Bank of Canada's discretion. Under the STLF, the Bank can provide loans to eligible financial institutions in need of temporary liquidity support and where the Bank has no concerns about their financial soundness.</p> <p>The Bank of Canada continues to monitor closely global and domestic market developments and remains committed to providing all the liquidity the financial system needs so that it can continue to serve Canadians.</p>	
<b>Financial Stability Board (FSB)</b>	April 20, 2020	<p><u>Effective Practices for Cyber Incident Response and Recovery: Consultative document</u></p> <p>This <u>consultative document</u> provides a toolkit of effective practices to assist financial institutions before, during and after a cyber-incident.</p>	
<b>Office of the Superintendent of Financial Institutions (OSFI)</b>	April 17, 2020	<p><u>Statement from the Superintendent on Canadian bank capital and dividends</u></p> <p>The current economic instability caused by the COVID-19 pandemic has raised questions around the world about how best to approach bank capital requirements and the resulting implications for bank dividend policies. This statement provides an overview of the existing regime in Canada.</p>	

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Financial Stability Board (FSB)	April 20, 2020	<p data-bbox="485 298 1419 323"><u>Effective Practices for Cyber Incident Response and Recovery: Consultative document</u></p> <p data-bbox="485 347 1598 410">This <u>consultative document</u> provides a toolkit of effective practices to assist financial institutions before, during and after a cyber-incident.</p>	
Office of the Superintendent of Financial Institutions (OSFI)	April 17, 2020	<p data-bbox="485 459 1308 483"><u>Statement from the Superintendent on Canadian bank capital and dividends</u></p> <p data-bbox="485 508 1640 605">The current economic instability caused by the COVID-19 pandemic has raised questions around the world about how best to approach bank capital requirements and the resulting implications for bank dividend policies. This statement provides an overview of the existing regime in Canada.</p>	
Financial Stability Board (FSB)	April 15, 2020	<p data-bbox="485 654 1339 678"><u>COVID-19 pandemic: Financial stability implications and policy measures taken</u></p> <p data-bbox="485 703 1640 800">This <u>report</u> sets out the financial stability implications of COVID-19 and policy measures taken to address them. The report was delivered to G20 Finance Ministers and Central Bank Governors ahead of their virtual meeting on April 15, 2020.</p>	
Bank of Canada	April 15, 2020	<p data-bbox="485 849 1493 909"><u>Bank of Canada announces increase in the amount of Government of Canada treasury bills it acquires at auction</u></p> <p data-bbox="485 933 1476 1031">The Bank of Canada announced that, to support continued liquidity and efficient functioning of the federal government's treasury bill program, it is temporarily increasing the amount of treasury bills it acquires at auctions to up to 40 per cent, effective immediately.</p> <p data-bbox="485 1055 1640 1079">Prior to this change, purchases at treasury bill auctions were generally limited to a maximum of 25 per cent.</p> <p data-bbox="485 1104 1640 1166">The 40 per cent limit will be in effect until further notice, although the Bank may adjust it in either direction as market conditions warrant.</p>	

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Bank of Canada	April 15, 2020	<p data-bbox="485 298 1205 323"><u>Bank of Canada to Introduce a Provincial Bond Purchase Program</u></p> <p data-bbox="485 350 1514 410">The Bank of Canada announced its intention to introduce a <u>Provincial Bond Purchase Program (PBPP)</u> to further support the liquidity and efficiency of provincial government funding markets.</p> <p data-bbox="485 438 1461 565">This program will supplement the already-implemented Provincial Money Market Purchase Program. The aim of both these programs is to maintain well-functioning provincial funding markets in the face of significant demands for funding as governments implement their emergency measures, and businesses and households seek to bridge this difficult period.</p> <p data-bbox="485 592 1661 719">The PBPP will purchase eligible securities in the secondary market. Eligible securities are made up of Canadian-dollar denominated bonds issued by all provinces and fully-guaranteed provincial agencies with remaining terms-to-maturity up to ten years. The program size will be capped at \$50 billion. The program will remain active for a period of 12 months. The program's parameters may be expanded if conditions warrant.</p> <p data-bbox="485 747 1478 846">The Bank will conduct a targeted competitive process to select an asset manager to run this program. As previously announced, the Bank has retained BlackRock Financial Markets Advisory to provide advisory services and CIBC Mellon to serve as custodian.</p>	
Bank of Canada	April 15, 2020	<p data-bbox="485 911 877 935"><u>Monetary Policy Report – April 2020</u></p> <p data-bbox="485 963 1583 1023">Canada's economy faces two significant shocks—the plunge in global oil prices and the impact of the COVID-19 pandemic. See <u>Monetary Policy Report – April 2020</u>.</p>	

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Financial Stability Board (FSB)	April 14, 2020	<p data-bbox="480 293 1283 362"><u>Addressing the regulatory, supervisory and oversight challenges raised by “global stablecoin” arrangements: Consultative document</u></p> <p data-bbox="480 383 1535 618">This <u>consultation document</u> sets out 10 high-level recommendations to address the regulatory, supervisory and oversight challenges raised by “global stablecoin” arrangements. The FSB’s recommendations call for regulation, supervision and oversight that is proportionate to the risks, and stress the need for flexible, efficient, inclusive, and multi-sectoral cross-border cooperation, coordination and information sharing arrangements that take into account the evolution of “global stablecoin” arrangements and the risks they may pose over time. They apply the principle of ‘same business – same risks – same rules,’ independent of the underlying technology.</p> <p data-bbox="480 643 1665 880">The report also highlights key international financial regulatory standards from the Basel Committee, the Financial Action Task Force, the Committee of Payments and Market Infrastructures and the International Organization of Securities Commissions that could apply to “global stablecoins.”The recommendations respond to a call by the G20 to examine regulatory issues raised by “global stablecoin” arrangements and to advise on multilateral responses as appropriate, taking into account the perspective of emerging market and developing economies. They build on a comprehensive stock-take of FSB and non-FSB jurisdictions’ existing regulatory, supervisory and oversight approaches.</p>	



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Payments Canada	April 14, 2020	<p data-bbox="485 298 846 323"><u>Changes to Rules and Standards</u></p> <p data-bbox="485 350 1318 410">The following amendments were approved by the Board and the Department of Finance and came into effect on April 27, 2020:</p> <ul data-bbox="485 431 1667 1230" style="list-style-type: none"> <li data-bbox="485 431 1507 456">• Introduction - Amendments to the definitions of Image Printout and Item Dishonored Stamp.</li> <li data-bbox="485 477 1667 537">• ACSS Rule A1 - Consequential amendments to include Image Printouts as an eligible item for exchange, clearing and settlement.</li> <li data-bbox="485 558 1667 651">• ACSS Rule A4 - Amendments to section 11(b)(ii) to accommodate changes to the process for returning items negotiated outside of Canada; Amendments to amend the definition of an Image Printout and corresponding consequential amendments.</li> <li data-bbox="485 672 1667 732">• ACSS Rule A10 - Amendments to include procedures for the forward presentment of an Image Printout and updates to section 42, return using an RRD.</li> <li data-bbox="485 753 1667 813">• ACSS Rule F1 - Amendments to section 11(b) and 12(a) to clarify the requirements of notification of a missing or rejected AFT file.</li> <li data-bbox="485 834 1171 859">• ACSS Rule G3 - Amendments to section 15 to include RRD.</li> <li data-bbox="485 880 1667 940">• ACSS Rule H5 - Amendments to section 8(b) to reflect changes to the requirements to the use of pro forma Bond/Coupon envelopes.</li> <li data-bbox="485 961 1667 1021">• ACSS Rule K1 - Amendments to alter the requirement for items received outside Canada to be enfaced with a Point-of-Entry Stamp.</li> <li data-bbox="485 1042 1667 1138">• ACSS Rule K4 - Amendments to accommodate the requirement for Direct Clearers/Group Clearers to attest to the ACSS/USBE Service Level Description and to sections 4 and 6 of the CPA Services Network (CSN) Service Level Description.</li> <li data-bbox="485 1159 1388 1183">• Standard 013 - Amendments to the definition of Return Replacement Document.</li> <li data-bbox="485 1205 1404 1229">• Standard 014 - Amendments to the definition of Clearing Replacement Document.</li> </ul>	Effective April 27, 2020

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<b>Bank of Canada</b>	April 9, 2020	<p data-bbox="485 297 1224 321"><u>Temporary changes to the Government of Canada securities auction</u></p> <p data-bbox="485 350 1388 443">The Bank of Canada announced temporary changes to standard terms for auctions of Government of Canada securities to support the liquidity and well-functioning of financial markets. These terms will be temporarily amended as follows:</p> <p data-bbox="485 472 1654 670">BIDDING LIMITS: To support auction coverage, the maximum share of an auction that all Primary Dealer (PD) will be able to submit on a competitive basis will increase to 40 per cent and the aggregate limit - which includes bids submitted on behalf of customers - will be increased from 40 to 50 per cent. PD Net Position Report (NPR) will permit 40 per cent, in order to align with the auction limit increase. It is important to note that minimum bidding requirements remain unchanged at 50 per cent of the PD's formula calculation, which takes into account market shares in the primary and secondary Government of Canada securities markets.</p> <p data-bbox="485 699 1465 792">BIDDING RANGES: Given challenges in trading in volatile market conditions, the maximum price range within which PDs must meet their minimum level of bidding obligations will increase from 10 to 20 basis point from the highest yield accepted.</p> <p data-bbox="485 821 1640 878">These temporary changes apply to auctions of Treasury bills, nominal bonds and real return bonds, and will remain in effect until further notice.</p>	Effective April 13, 2020
<b>Financial Stability Board (FSB)</b>	April 9, 2020	<p data-bbox="485 927 1157 951"><u>Enhancing Cross-border Payments: Stage 1 report to the G20</u></p> <p data-bbox="485 980 1268 1040">An assessment of existing arrangements and challenges of cross-border payments. Stage 1 report <a href="#">here</a> and technical background report <a href="#">here</a>.</p>	
<b>Office of the Superintendent of Financial Institutions (OSFI)</b>	April 9, 2020	<p data-bbox="485 1105 1419 1130"><u>OSFI announces continued regulatory flexibility measures to support COVID-19 efforts.</u></p> <p data-bbox="485 1159 1482 1284">The Office of the Superintendent of Financial Institutions (OSFI) announced further regulatory adjustments to support the financial and operational resilience of federally regulated banks and insurance companies. The measures focus primarily on capital adequacy requirements for these institutions as well as changes in their reporting requirements.</p> <p data-bbox="485 1313 1562 1341">The announcement includes key measures announced for banks, insurers, and regulatory reporting.</p>	

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Bank of Canada	April 9, 2020	<p data-bbox="485 298 1331 358"><u>Bank of Canada announces changes to eligibility requirements of Term ABS in the Bank of Canada's Standing Liquidity Facility Collateral Policy</u></p> <p data-bbox="485 386 1472 548">The Bank of Canada continually reviews its collateral policy for the Standing Liquidity Facility (SLF) and its term repo operations. As a result, the Bank is announcing that effective immediately the eligibility requirements for term asset-backed securities (Term ABS), which include residential mortgage backed securities (RMBS), will be expanded to include those issued by offering memorandum in addition to those issued by prospectus.</p> <p data-bbox="485 576 1499 737">For Term ABS issued by offering memorandum, at a minimum, the relevant investment information to be disclosed should be aligned with those issued under prospectus. All other Term ABS <u>eligibility requirements</u> remain in effect, including the exclusion of Term ABS backed by commercial mortgages. In turn, Term ABS issued by offering memorandum will be eligible for the Bank's term repo operations and Standing Term Liquidity Facility (STLF).</p>	
Bank for International Settlements (BIS)	April 8, 2020	<p data-bbox="485 805 772 829"><u>Basel III Monitoring Report</u></p> <p data-bbox="485 857 1654 1089">This <u>report</u> presents the results of the Basel Committee's latest Basel III monitoring exercise, based on data as of June 30, 2019. The report sets out the impact of the Basel III framework that was initially agreed in 2010, as well as the effects of the Committee's December 2017 <u>finalisation of the Basel III reforms</u> and the <u>finalisation of the market risk framework</u> published in January 2019. Given the June 2019 reporting date, the results do not reflect the economic impact of the coronavirus disease (COVID-19) on participating banks. Nevertheless, the Committee believes that the information contained in the report will provide relevant stakeholders with a useful benchmark for analysis.</p>	
Bank of Canada	April 6, 2020	<p data-bbox="485 1138 919 1162"><u>Release of the Business Outlook Survey</u></p> <p data-bbox="485 1190 1593 1250">Four times a year, the Bank's <u>regional offices</u> interview business leaders from about 100 firms to gather a broad range of economic perspectives that help fulfill its mandate as Canada's central bank.</p> <p data-bbox="485 1278 1409 1338">The results of these interviews are available in the quarterly <u>Business Outlook Surveys</u> (BOS). View the recent <u>survey data</u> and <u>references</u> for more information.</p>	

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Bank of Canada	April 6, 2020	<p data-bbox="485 298 1083 323"><u>Release of Canadian Survey of Consumer Expectations</u></p> <p data-bbox="485 350 1507 513">The Canadian Survey of Consumer Expectations (CSCE) focuses on respondents' views on inflation, the labour market and household finances. The survey for the first quarter of 2020 was conducted between Jan. 29 and Feb. 19, 2020. Results were obtained before COVID19 became a major concern for Canadians and affected their outlook. This is the second quarterly publication of the results of the CSCE. Data collection began in the fourth quarter of 2014.</p> <p data-bbox="485 540 1262 565">See <u>Canadian Survey of Consumer Expectations—First Quarter of 2020</u></p>	
Bank of Canada	April 3, 2020	<p data-bbox="485 631 1304 656"><u>Bank of Canada Announces Activation of the Contingent Term Repo Facility</u></p> <p data-bbox="485 683 1583 776">Following the previous announcement regarding Additional Measures to Support Market Functioning, the Bank is announcing that it is activating the <u>Contingent Term Repo Facility</u> (CTRF) effective Monday April 6, 2020 and that it will remain open for the next 12 months.</p> <p data-bbox="485 803 1656 865">The CTRF offers Canadian dollar funding for a 1-month term to eligible counterparties on a standing, bilateral basis against securities issued or guaranteed by the Government of Canada or a provincial government.</p> <p data-bbox="485 893 1640 1019">Pricing for the facility will be set at the overnight index swap (OIS) rate of the maturity of the operation plus the higher of (1) 35 bps, (2) the highest spread over the OIS rate on the most recent term repo with the closest tenor, or (3) as otherwise determined by the Bank at the time of the transaction. Detailed <u>terms and conditions</u> are found on the Bank of Canada's website.</p>	Effective April 6, 2020
Office of the Superintendent of Financial Institutions (OSFI)	April 3, 2020	<p data-bbox="485 1068 1293 1092"><u>COVID-19 Measures – FAQs for Federally Regulated Private Pension Plans</u></p> <p data-bbox="485 1120 1482 1247">Following <u>OSFI's announcement on March 27, 2020</u> to address issues stemming from COVID-19, OSFI prepared a series of questions and answers regarding the measures taken to protect pension plan members, former members and other beneficiaries and to allow plan administrators to focus their efforts on addressing the many challenges posed by this crisis.</p>	

Institution	Published	Title and Brief Summary	Status
Bank for International Settlements (BIS)	April 3, 2020	<p><u>Margin requirements for non-centrally cleared derivatives</u></p> <p>The Basel Committee on Banking Supervision and the International Organization of Securities Commissions (IOSCO) have revised the framework for margin requirements for non-centrally cleared derivatives</p> <p>Relative to the <u>2019 framework</u> the revision extend by one year the final two implementation phases of the margin requirements. With this extension, the final implementation phase will take place on September 1, 2022. This extended timeline will provide additional operational capacity for firms to respond to the immediate impact of the COVID-19 and at the same time, facilitate covered entities to act diligently to comply with the requirements by the revised deadline.</p>	
Bank for International Settlements (BIS)	April 3, 2020	<p><u>Measures to reflect the impact of COVID-19</u></p> <p>The <u>document</u> sets out technical guidance related to: (i) the exceptional measures introduced by governments and banks to alleviate the impact of the coronavirus disease (COVID-19); and (ii) expected credit loss (ECL) accounting. The guidance seeks to ensure that banks reflect the risk-reducing effect of the exceptional measures when calculating their capital requirements. It also sets out the amended transitional arrangements for the regulatory capital treatment of ECL accounting, which will provide jurisdictions with greater flexibility in how to phase in the impact of ECL on regulatory capital.</p>	
Financial Stability Board (FSB)	April 2, 2020	<p><u>FSB members take action to ensure continuity of critical financial services functions</u></p> <p>The FSB Plenary met telephonically on March 30, 2020 to review the numerous actions taken to support market functioning and maintain the provision of credit to households and businesses.</p> <p>The FSB's overall COVID-19 work includes:</p> <ul style="list-style-type: none"> <li>• Regularly sharing information on evolving financial stability threats and on the policy measures that financial authorities are taking;</li> <li>• Assessing financial risks and vulnerabilities in the current environment; and</li> <li>• Coordinating policy responses to maintain global financial stability, keep markets open and functioning, and preserve the financial system's capacity to serve households and businesses confronting COVID-19, and thereby finance the resumption of growth.</li> </ul> <p>In addition, the FSB is re-prioritising its work programme for 2020 to maximise the value of FSB work during the current crisis and to use members' resources effectively. Further information on the FSB's actions taken in response to COVID-19 is available on the <u>FSB website</u>.</p>	

Institution	Published	Title and Brief Summary	Status
Financial Stability Board (FSB)	April 2, 2020	<u>The 17th meeting of the FSB MENA group discusses regional financial stability and the impact of COVID-19</u> The Financial Stability Board (FSB) Regional Consultative Group (RCG) for the Middle East and North Africa (MENA) held its 17th RCG MENA meeting via a conference call to discuss recent macroeconomic and financial market developments, including the financial stability implications from COVID-19.	

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## Disclaimer

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