

Federal financial institutions legislative and regulatory reporter – June - November 2022

January 6, 2023

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.

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Published	Title and Brief Summary	Status
Office of the Superintendent of Financial Institutions (OSFI)		
Nov. 29, 2022	<p>Revised instruction guide for the preparation of actuarial reports for defined benefit pension plans</p> <p>This instruction guide sets out the reporting requirements of actuarial reports filed with OSFI for defined benefit pension plans, including those with a defined contribution component. The Guide updates the previous one published in November 2021 to reflect:</p> <ul style="list-style-type: none"> • Changes to Part 3000 of the Canadian Institute of Actuaries Standards of Practice; • Updated requirements regarding the maximum going concern discount rate; and 	

	<ul style="list-style-type: none"> Greater clarity on disclosure requirements for plans using a replicating portfolio approach and on other expectations. <p>The Guide applies to actuarial reports with a valuation date on and after Dec. 31, 2022. Early adoption is permitted.</p>	
Nov. 23, 2022	<p>Minimum Capital Test 2023 – Adjustments and clarifications</p> <p>OSFI has provided a communication that sets out adjustments and clarifications to the Minimum Capital Test Guideline (MCT) 2023, and associated instructions and forms, since their publication in July 2022. The adjustments and clarifications are with respect to:</p> <ol style="list-style-type: none"> Unexpired coverage for insurance contracts issued; Cryptoassets. 	
Nov. 16, 2022	<p>Statement to entities engaging in crypto-asset activities or crypto-related services</p> <p>OSFI, with the Financial Consumer Agency of Canada (FCAC) and Canada Deposit Insurance Corporation (CDIC) has issued a statement to all regulated entities that carry out crypto-related services or engage in crypto-asset activities. This statement is intended to reinforce the expectation that federally-regulated entities adhere to all applicable current regulatory requirements and any guidance when carrying out any crypto-related services or engaging in crypto-asset activities.</p> <p>The statement emphasizes that regulated entities are expected to clearly understand the risks of any planned crypto-asset activities and ensure that these risks have been properly addressed. They also need to ensure that any crypto-asset activities comply with applicable existing federal financial laws as well as regulations or guidance issued by regulatory agencies at the federal and provincial level.</p>	
Nov. 9, 2022	<p>Final IFRS 17 Memoranda to The Appointed Actuary for Federally-Regulated Insurers (FRIs)</p> <p>OSFI has issued IFRS 17 Memoranda to The Appointed Actuary (Memoranda) for FRIs: Life Memorandum to the Appointed Actuary (2023) and Property and Casualty - Memorandum to the Appointed Actuary (2023). IFRS 17 (Insurance Contracts) replaces IFRS 4, the current reporting standard, and is effective for annual periods beginning on or after Jan. 1, 2023.</p> <p>The changes to the Memoranda are intended to ensure that the standards and guidance provided for the Appointed Actuary in preparing the Appointed Actuary's Report (AAR) will continue to satisfy the generally accepted actuarial practice requirements as per subsections 365(1) and 629(1) of the <i>Insurance Companies Act</i> which require the Appointed Actuary to value the actuarial and other policy liabilities of the company as at the</p>	<p>Effective Jan. 1, 2023</p>

	<p>end of a financial year; and any other matter specified in any direction that may be made by the Superintendent.</p>	
<p>Nov. 7, 2022</p>	<p><u>OSFI issues new guideline for Assurance on Capital, Leverage and Liquidity Returns</u></p> <p>OSFI has issued a new <u>Assurance on Capital, Leverage and Liquidity Returns</u> guideline, which applies to the capital returns of all federally regulated insurers, and the capital, leverage and liquidity returns of all federally regulated deposit-taking institutions (DTIs). It lays out OSFI's assurance expectations for capital, leverage and liquidity returns. This guideline seeks to inform external auditors and institutions about the work to be performed on their regulatory returns in an effort to enhance and align these expectations across all Federally-Regulated Financial Institutions (FRFIs).</p> <p>The guideline sets out guiding principles for assurance expectations for key regulatory returns:</p> <ul style="list-style-type: none"> • Assurance expectations should contribute to public confidence in the Canadian financial system; • Assurance expectations should be risk-based and principles-based; • Assurance expectations should consider OSFI's reliance on external auditors and the use of the work of others, including a FRFI's oversight function; and • Assurance expectations should reflect a FRFI's size, nature, complexity, and business activities. 	
<p>Oct. 31, 2022</p>	<p><u>Overview of the Life Insurance Sector Consultation (LISC) Findings</u></p> <p>In 2021-2022, OSFI commissioned an independent research firm to consult confidentially with life insurance company senior executives to obtain their assessment of OSFI's effectiveness as a regulator and supervisor and help monitor its efficacy in discharging key elements of its mandate. OSFI has now published an <u>Executive Summary</u> of the feedback. Overall impressions of OSFI are largely positive. Participants indicate that OSFI has established very good working relationships with the entities that it regulates, is proactive in identifying and responding to emerging areas of risk and is effective in ensuring the soundness of the financial sector.</p> <p>Although OSFI is perceived to be effective in the overall discharge of its mandate, the study did reveal some areas for improvement. Going forward, most respondents said IFRS 17 should be OSFI's top priority, including (a) finalizing LICAT 2023; (b) monitoring the impact of LICAT on the industry and on individual companies; (c) communicating learning to the industry about impacts of the regulations; and (d) making adjustments to the rules as needed.</p>	

<p>Oct.14, 2022</p>	<p>“2022 Annual update” to the manual of reporting forms and instructions for deposit-taking institutions</p> <p>This letter advises Chief Financial Officers of Banks and Federally Regulated Trust and Loan Companies and Principal Officers of Foreign Bank Branches of changes made to the Financial Information Committee (FIC) regulatory forms and instructions.</p> <p>Changes were made to the following regulatory reporting forms and instructions effective for 2023 filing:</p> <ul style="list-style-type: none"> • Basel Capital Adequacy Return (BCAR) (BA); • Leverage Requirements Return (LR); • Net Cumulative Cash Flow (NCCF) – new DT2; • Balance Sheet (M4) – instructions only; • Income Statement (P3); • Interbank and Major Exposures Return (EB/ET); • Balance Sheet by Booking Location (Z4); and • Home Equity Lines of Credit (HELOCs) (J2); <p>Report on New and Existing Lending (A4) – instructions only.</p>	
<p>Sept. 29, 2022</p>	<p>Proposed changes to OSFI’s guidance note – Asset transfers related to defined contribution provisions of pension plans</p> <p>OSFI has issued proposed revisions to its Guidance Note for Asset Transfers related to Defined Contribution Provisions of Pension Plans (Guidance Note) and its accompanying asset transfer request form. Issued in March 2018, the Guidance Note informs the pension industry of OSFI’s expectations with respect to asset transfers related to defined contribution provisions from federally regulated pension plans and the filing requirements related to transfers involving individuals whose pension benefits are subject to provincial pension legislation.</p> <p>This Guidance Note has now been converted to an Instruction Guide, and has been revised to reflect the 2020 Agreement Respecting Multi-Jurisdictional Pension Plans and include other updates to clarify OSFI’s expectations and filing requirements.</p> <p>OSFI has issued the Instruction Guide in draft form to allow stakeholders to provide feedback on the changes.</p>	<p>Comments were due Nov. 29, 2022</p>
<p>Sept. 28, 2022</p>	<p>Mortgage insurer capital adequacy test (MICAT) revisions for variable rate mortgages</p> <p>This advisory, which applies to all Canadian mortgage insurance companies (insurers), implements administrative interpretations to the MICAT with respect to the determination</p>	

	<p>of requirements for Variable Rate Mortgages (VRMs) and Adjustable Rate Mortgages (ARMs).</p> <p>The MICAT framework is responsive to risks associated with differing mortgage amortization periods of up to 40 years. It was not, however, designed or calibrated for situations in which mortgage amortizations are temporarily extended, in some cases well beyond 40 years.</p> <p>The revisions and interpretations set out in the Advisory address these matters. The advisory will remain in effect until such time as the guidance contained therein is incorporated into the MICAT guideline or is otherwise superseded by revised guidance.</p>	
Sept. 13, 2022	<p>Unwind of temporary leverage ratio exclusions, effective April 2023</p> <p>In a letter, OSFI informs Deposit Taking Institutions (DTIs) that, starting April 1, 2023, they will be required to include central bank reserves in their leverage ratio exposure measures.</p> <p>On April 9, 2020, OSFI had announced that, on a temporary basis, DTIs could exclude central bank reserves and sovereign-issued securities that qualify as High Quality Liquid Assets (HQLA) under the Liquidity Adequacy Requirements Guideline from their leverage ratio exposure measures. On Aug.12, 2021, OSFI had further announced that, starting January 1, 2022, DTIs would be required to include sovereign-issued securities qualifying as HQLA in their leverage ratio exposure measures, but should continue to exclude central bank reserves from their leverage ratio exposure measures until otherwise notified.</p> <p>OSFI has updated its COVID-19 Measures – FAQs for Federally Regulated Deposit-Taking Institutions document to reflect this change.</p>	<p>Change is effective April 1, 2023</p>
Posted Sept.15, 2022	<p>2023 Actuarial report on the employment insurance premium rate</p> <p>The Senior Actuary, Employment Insurance Premium Rate-Setting, Office of the Chief Actuary, has submitted the 2023 Actuarial Report on the Employment Insurance Premium Rate, which provides actuarial forecasts and estimates for the purposes of sections 4, 66 and 69 of the <i>Employment Insurance Act</i>.</p>	
Aug.31, 2022	<p>OSFI launches consultation on buy-in annuity products</p> <p>OSFI has issued a draft Instruction Guide on Buy-in Annuity Products (the Instruction Guide) to replace the Guidance on Buy-in Annuity Products (the Guidance). The Instruction Guide provides information to assist administrators of pension plans with defined benefit provisions registered or having filed an application for registration under the <i>Pension Benefits Standards Act, 1985</i> with respect to the considerations and reporting requirements of buy-in annuities.</p>	<p>Comments were due Oct. 14, 2022</p>

	<p>The Instruction Guide updates the current Guidance published in September 2012, to reflect:</p> <ul style="list-style-type: none"> • Updated requirements for the valuation of assets and liabilities; • Additional considerations for the administration of pension plans and pension funds; • Greater clarity on other expectations, including streamlining of information; • Additional references to legislation and guidance material; and • Changes to accepted actuarial practice and other issues that have emerged since then. <p>The Instruction Guide is being issued in draft form so that pension plan stakeholders can provide input on these changes.</p>	
<p>Aug. 18, 2022</p>	<p>OSFI announces interim approach to cryptoassets</p> <p>OSFI has announced an interim approach for cryptoassets held by federally regulated financial institutions (FRFIs). This interim approach, entitled Interim arrangements for the regulatory capital and liquidity treatment of cryptoasset exposures, builds on the consultative letter OSFI provided in July 2021, and outlines OSFI’s expectation that any currently held cryptoassets are managed prudently, as well as sets limits on their use by banks and insurers. It also provides further guidance on how to approach the capital and liquidity treatment of cryptoasset holdings.</p> <p>OSFI will update this interim approach as needed to reflect developments including:</p> <ul style="list-style-type: none"> • The government’s legislative review of the digitalization of money; • Responses to OSFI’s consultation questions; • The Basel Committee on Banking Supervision’s final guidance on cryptoasset exposures; and • Any related developments in the cryptoasset market, as required. <p>This interim approach helps ensure that FRFIs adopt sound risk management policies and practices concerning their cryptoasset holdings, helping to safeguard the resiliency and stability of the Canadian financial system.</p> <p>For BLG’s insights on broader regulatory developments in digital assets, see here: Recent developments in the digital assets space</p>	

<p>Aug.4, 2022</p>	<p>Final Instruction Guide – Registration of a Defined Contribution Pension Plan</p> <p>OSFI has issued the final version of the Instruction Guide for the Registration of a Defined Contribution Pension Plan (the Instruction Guide). The Instruction Guide assists plan administrators of defined contribution pension plans in completing the OSFI 48DC – Application form for the Registration of a Defined Contribution Pension Plan (the Application form).</p>	
<p>Aug. 4, 2022</p>	<p>Final Instruction Guide – Registration of a Defined Benefit Pension Plan</p> <p>The OSFI has issued the final version of the Instruction Guide for the Registration of a Defined Benefit Pension Plan (Instruction Guide). The Instruction Guide assists plan administrators of defined benefit pension plans in completing the OSFI-48DB – Application form for the Registration of a Defined Benefit Pension Plan (the Application form).</p>	
<p>July 21, 2022</p>	<p>Final insurance capital guidelines 2023</p> <p>The OSFI has released the final insurance capital guidelines that reflect the transition to International Financial Reporting Standard 17 – Insurance Contracts (IFRS 17) for fiscal years beginning on or after January 1, 2023. This marks the final milestone announced in the September 30, 2020, Letter to Federally Regulated Insurers. Explanation of specific changes are contained within individual cover letters for each guideline as follows:</p> <ul style="list-style-type: none"> • LICAT cover letter • MCT cover letter • MICAT cover letter 	
<p>July 13, 2022</p>	<p>OSFI releases new guideline for technology and cyber risk, balancing innovation with risk management</p> <p>The OSFI has released its final Guideline B-13 setting out expectations for how federally regulated financial institutions (FRFIs) should manage technology and cyber risks. Three domains are addressed in the Guideline - Governance and Risk Management; Technology Operations and Resilience; and, Cyber Security - each of which includes a governing principle and a desired outcome aimed at helping FRFIs understand OSFI’s expectations of both technology and cyber risk management.</p> <p>The final Guideline B-13 will be effective January 1, 2024, to provide FRFIs sufficient time to self-assess and ensure compliance.</p> <p>See here for BLG’s related publication on Guideline B-13.</p>	<p>Effective Jan. 1, 2024</p>

<p>June 30, 2022</p>	<p>Consultation on the Updated Guideline E-16 – Participating account management and disclosure to participating policyholders and adjustable policyholders</p> <p>Varying interpretations of several areas of the original Guideline E-16 have resulted in the publication of OSFI drafted updated Guideline E-16 for consultation. The changes reflected in this drafted guideline are intended to provide:</p> <ul style="list-style-type: none"> • additional clarification of OSFI’s expectations, to aid companies in their interpretation of the <i>Insurance Companies Act</i> (ICA) and the Regulations, and to facilitate greater consistency of practices by companies in satisfying the requirements of the ICA and the Regulations; • additional guidance on the disclosure requirements of the Regulations, to promote greater transparency and consistency of policyholder disclosures. 	<p>Comments were due Sept. 28, 2022</p>
<p>International Association of Insurance Supervisors (IAIS)</p>		
<p>Nov. 18, 2022</p>	<p>IAIS finalises liquidity metrics as an ancillary indicator for its Global Monitoring Exercise</p> <p>IAIS has published Liquidity metrics as an ancillary indicator for its Global Monitoring Exercise (GME). The metrics will serve as a tool to facilitate the IAIS’ monitoring of the global insurance sector’s liquidity risk and for the IAIS to assess insurers’ liquidity exposure from a macroprudential perspective, which may be critical, as insurers have been exposed to liquidity shortfalls in previous crises.</p>	
<p>Oct. 19, 2022</p>	<p>IAIS to provide additional opportunity for stakeholder engagement for scenario development related to the aggregation method comparability assessment</p> <p>Stakeholder comments on the draft criteria that will be used to assess whether the Aggregation Method (AM) provides comparable outcomes to the Insurance Capital Standard (ICS) has prompted the IAIS to provide additional opportunity for stakeholder engagement on the development of scenarios that will be used to inform the assessment.</p> <p>The IAIS has therefore decided to extend the period for the design of the scenarios and move consideration of the final criteria from November 2022 to March 2023. However, this will not impact the timing of the AM comparability assessment, which remains scheduled to begin in the second half of 2023.</p> <p>Virtual and in-person workshops will be used to gather input on the development of the scenarios; further details on the timing and format of the workshops will be provided at a later date.</p>	

<p>Oct. 13, 2022</p>	<p>Public consultation on issues paper on insurance sector operational resilience</p> <p>Rapidly evolving technology and innovation, changes to where and how people are working, and an increasing cyber threat landscape all contribute to operational resilience having become an increasingly important area of focus.</p> <p>IAIS' Operational Resilience Task Force (ORTF) has published a Draft Issues Paper on Insurance Sector Operational Resilience, which identifies issues impacting operational resilience in the insurance sector and addresses three operational resilience sub-topics that ORTF considers as matters of significant and increasing operational risk and of immediate interest to supervisors:</p> <ul style="list-style-type: none"> • Cyber resilience; • Third-party outsourcing; and • Business Continuity Management. <p>ORTF has posted a series of questions for consultation purposes and is soliciting stakeholder feedback on the paper via a consultation tool.</p>	<p>Comments due Jan.6, 2023</p>
<p>Sept. 29, 2022</p>	<p>IAIS and A2ii publish joint note on the role of supervisors in multi-stakeholder approaches to address pandemic protection gaps</p> <p>IAIS and Access to Insurance Initiative (A2ii) have jointly published a note examining the role insurance supervisors could play in the design, development and implementation of insurance-based programmes for pandemic risk.</p> <p>The note focuses on gaps in coverage for types of risk where diversification is more difficult to achieve, in particular coverage for non-damage business interruption (BI) losses in the context of pandemics. Concepts presented in the note will inform future work undertaken by the IAIS on pandemic protection gaps, as well as on the role of supervisors in addressing protection gaps more broadly.</p>	
<p>Aug.2, 2022</p>	<p>IAIS welcomes global climate-related financial disclosure standards</p> <p>The IAIS has welcomed movements made by the International Sustainability Standards Board (ISSB) to create a global standard for disclosures of climate-related financial risks.</p>	
<p>June 29, 2022</p>	<p>IAIS publishes report on supervisors' use of key indicators to assess insurer conduct</p> <p>This report presents findings from a survey of IAIS members on current supervisory approaches and challenges related to using key indicators to assess insurer conduct. The report includes:</p>	

	<ul style="list-style-type: none"> • The number and type of indicators collected by supervisors; • The purposes for which supervisors use the conduct indicators; and • The challenges encountered by supervisors. <p>The IAIS is continuing work on developing practical guidance for member supervisors on the use of key indicators to proactively monitor conduct risks to enable more timely response to emerging conduct trends and risks. This is expected to be made available to members in Q1 2023.</p>	
Bank of Canada		
Oct. 7, 2022	<p><u>CARR agrees to begin process of developing Term CORRA benchmark</u></p> <p>On May 16, 2022 Canadian Alternative Reference Rate Working Group (CARR) launched a <u>public consultation</u> on whether there was a need for a forward-looking Term Canadian Overnight Repo Rate Average (CORRA) benchmark to replace Canadian Dollar Offered Rate (CDOR) in certain types of loan facilities. This consultation closed on June 30.</p> <p>Ahead of a formal summary of feedback regarding Term CORRA later in the fall, CARR notes that the feedback indicated about 90 per cent of respondents, including all non-financial companies, said they wanted a Term CORRA benchmark. Stated reasons for this support included less operational complexity and cost, cash flow certainty, and the provision of a forward-looking discount rate.</p> <p>In response to the conclusions from the consultation, CARR has agreed to begin the process of developing a one and three month Term CORRA benchmark with the relevant stakeholders, as long as a robust benchmark can be created that is compliant with international best practices (IOSCO Principles for Financial Benchmarks) and Canadian benchmark regulations (i.e., MI 25-102).</p> <p>The more comprehensive communication to follow later this fall is expected to include (a) a detailed summary of the consultation; (b) CARR's recommended methodology for the calculation of Term CORRA; (c) the allowable use cases for Term CORRA in financial markets; and (d) next steps regarding the selection of a Term CORRA benchmark administrator.</p>	
Aug. 3, 2022	<p><u>CARR publishes recommended fallback language for CDOR-based loans</u></p> <p>The Canadian Alternative Reference Rate working group (CARR) has published recommended fallback language for new and existing loan agreements where the interest rate benchmark is the Canadian Dollar Offered Rate (CDOR).</p>	

Financial Transactions and Reports Analysis Centre of Canada (FINTRAC)		
<p>Aug. 18, 2022</p>	<p>Updated schedule for changes to FINTRAC’s reporting forms</p> <p>FINTRAC has published the most recent implementation schedule for changes to its reporting forms. These changes are driven by modifications to the Anti-Money Laundering and Anti-Terrorist Financing Regime via three sets of regulatory amendments published in the <i>Canada Gazette</i> on July 10, 2019, June 10, 2020, and April 27, 2022.</p> <p>Implementing the changes to FINTRAC’s reporting forms is a multi-year project. In 2020 and 2021, FINTRAC designed and implemented the new Large Virtual Currency Transaction Report (LVCTR) form. This year, FINTRAC is focusing on updating and modernizing the Large Cash Transaction Report (LCTR) form and the Suspicious Transaction Report (STR) form.</p>	
<p>July 21, 2022</p>	<p>Crowdfunding platforms and certain payment service providers must register with FINTRAC</p> <p>Following last April’s Notice, FINTRAC reminds reporting entities that crowdfunding platforms and certain payment service providers are covered as money services businesses (MSBs) or foreign money services businesses (FMSBs) under the <i>Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA)</i>. As such, businesses engaged in crowdfunding platform services and certain payment services have MSBs or FMSBs obligations under the PCMLTFA, including the need to register with FINTRAC. For detailed information about these obligations, see information about MSBs and FMSBs.</p> <p>Further to these amendments, FINTRAC has retracted its position with respect to merchant servicing and payment processing (PI-7670).</p> <p>See here for BLG’s related publication on these changes to Canada’s federal anti-money laundering laws and registration requirements.</p>	
<p>July 6, 2022</p>	<p>Resource documents to help reporting entities prepare for changes to the LCTR form</p> <p>FINTRAC is expecting to implement important changes to the Large Cash Transaction Report (LCTR) form in June 2023. The form will reflect the legislative amendments that came into force on June 1, 2021 and include added functionality that allows for a more streamlined experience when reporting large cash transactions. In preparation for these changes, FINTRAC has provided the following documents on the Draft documents page of their website:</p> <ul style="list-style-type: none"> • LCTR mock form and validation rules; 	

	<ul style="list-style-type: none"> • Reporting large cash transactions to FINTRAC guidance; and • LCTR JSON schemas (reports and transactions). <p>Please note, while these documents are in their final stages of development, they are at present labelled as "draft documents" and, as such, may be subject to minor changes.</p> <p>Further, they expect to publish the following documents on our website at a later date:</p> <ul style="list-style-type: none"> • API endpoints (Swagger) • Validation rules (excel format) <p>Reporting entities will be informed of publication by email. Once the form is implemented in June 2023, it must be used to submit transactions that occur after the implementation date.</p>	
Bank for International Settlements (BIS)		
Nov. 29, 2022	<p>Committee on Payments and Market Infrastructures (CPMI) and International Organization of Securities Commissions (IOSCO) Report on Financial Market Infrastructures' Cyber Resilience</p> <p>Implementation Monitoring of the PFMI: Level 3 Assessment on Financial Market Infrastructures' Cyber Resilience presents the results of an assessment of the state of cyber resilience (as of February 2021) at 37 Financial Market Intermediaries (FMIs) from 29 jurisdictions that participated in this exercise in 2020–22. The report finds reasonably high adoption of the Guidance on cyber resilience for financial market infrastructures, but finds one serious issue of concern and four issues of concern. The serious issue of concern relates to a small number of FMIs not fully meeting expectations regarding the development of cyber response and recovery plans to meet the two-hour recovery time objective (2hRTO). The four additional issues of concern relate to shortcomings in established response and recovery plans to meet the 2hRTO under extreme cyber-attack scenarios; lack of cyber resilience testing after major system changes; lack of comprehensive scenario-based testing; and inadequate involvement of relevant stakeholders in testing.</p>	
Oct. 18, 2022	<p>API standards for data-sharing (Account Aggregator)</p> <p>This report by the BIS Consultative Group on Innovation and the Digital Economy (CGIDE) is the third part of a trilogy on enabling open finance through APIs under the auspices of CGIDE. The purpose of this report is to serve as a useful general reference for central banks seeking to develop their own data-sharing initiatives related to account aggregation in the context of open finance.</p> <p>The report presents three models for data sharing – centralized, decentralized and trust – and develops the user interactions and their data flows. It also presents account aggregator</p>	

	<p>functionality and possible arrangements for implementation in the open finance ecosystem; and shows the successful implementation of a demo based on a microservices architecture that promotes high availability, scalability and resilience.</p>	
<p>Sept. 30, 2022</p>	<p>Basel III monitoring report</p> <p>The report sets out the impact of the Basel III framework, including the December 2017 finalisation of the Basel III reforms and the January 2019 finalisation of the market risk framework. The monitoring report includes special features on banks' exposures to cryptoassets, and on capital buffers and total Common Equity Tier 1 (CET1) requirements.</p> <p>Highlights of the Basel III monitoring exercise as of Dec. 31 2021 include:</p> <ul style="list-style-type: none"> • Initial Basel III capital ratios increase to the highest level since the beginning of the exercise; and • Impact of final Basel III standards lower compared to previous exercises. 	
<p>Sept. 29, 2022</p>	<p>Review of margining practices</p> <p>This report by the Basel Committee on Banking Supervision (BCBS), Bank for International Settlements' Committee on Payments and Market Infrastructures (CPMI) and International Organization of Securities Commissions (IOSCO) looks at margin calls during the high market volatility and "dash for cash" in March and April 2020. The report also reviews margin practices transparency, predictability and volatility across various jurisdictions and markets, as well as market participants' preparedness to meet margin calls.</p> <p>The report confirms six areas for further policy work in view of potential international policy considerations:</p> <ul style="list-style-type: none"> • Increasing transparency in centrally cleared markets; • Enhancing liquidity preparedness of market participants as well as liquidity disclosures; • Identifying data gaps in regulatory reporting; • Streamlining variation margin processes in centrally and non-centrally cleared markets; • Evaluating the responsiveness of centrally cleared initial margin models to market stresses with a focus on impacts and implications for central counterparties resources and the wider financial system;- and • Evaluating the responsiveness of non-centrally cleared IM models to market stresses. 	

<p>Sept. 26, 2022</p>	<p>The impact of fintech lending on credit access for U.S. small businesses</p> <p>In the United States, the growth of fintech lenders in small business lending has been part of a broader trend in the growth of non-bank lenders amid a pullback by traditional banks. This working paper examines whether such lenders have enhanced credit access to small businesses, which are likely to be underserved by traditional lenders.</p> <p>Drawing on the data of two fintech lenders and by looking at geographic footprint of their fintech loan origination and the effectiveness of their credit scoring methods in predicting default, the authors find that the fintech lending platforms lent more to small businesses in ZIP codes with higher unemployment rates and higher business bankruptcy filings. Their internal credit scores were able to predict future delinquencies over a certain period more accurately than more traditional scores; the improvement in predictive performance was highest in areas with higher unemployment. This indicates that the use of alternative data and machine learning is probably a key factor in fintech lenders' contribution to improving credit access for small businesses.</p>	
<p>Sept. 15, 2022</p>	<p>Basel committee advances work on evaluating basel III reforms and addressing climate-related financial risks, and approves annual G-SIB assessment</p> <p>At meetings on July 15 and September 14-15, the Basel Committee discussed a more comprehensive assessment of the impact of the implemented Basel III standards over the past decade, in particular on bank resilience and systemic risk. The Committee plans to publish this third evaluation report around the end of the year.</p> <p>The Committee also discussed climate-related financial risks, and is currently assessing and developing a suite of potential measures – spanning disclosure, supervisory and/or regulatory measures – to address climate-related financial risks to the global banking system. Following the publication of a set of principles for the effective management and supervision of climate-related financial risks earlier this year, members discussed the Committee's ongoing work on possible approaches for addressing climate-related financial risk.</p> <p>The Committee also approved the results of the annual assessment exercise for global systemically important banks (G-SIBs). The results will be submitted to the Financial Stability Board before it publishes the 2022 list of G-SIBs.</p>	
<p>Sept. 14, 2022</p>	<p>Cyber Risk in Central Banking</p> <p>This working paper uses a survey conducted in 2021 among the members of the Global Cyber Resilience Group to provide an overview on cyber risk in the central bank community. It examines the following questions: What are central banks' main cyber concerns, and how do they see the threat landscape? What measures do they take to pre-empt or counter cyber</p>	

	<p>attacks? And how do they assess the risks to and the readiness of the financial sector at large?</p> <p>The working paper uncovered four insights:</p> <ol style="list-style-type: none"> 1. Central banks from advanced economies and emerging market economies assess the frequency and costs of different cyber-attacks differently. 2. Central banks actively discuss and develop policy responses to cyber-attacks and have significantly increased their cyber security-related investments. 3. Central banks deem the potential losses from a systemically relevant cyber-attack in the financial sector to be large, especially if it targets a big tech providing critical cloud infrastructures. 4. Central banks already cooperate widely on a range of topics related to cyber risk, for example in developing sound principles for cyber resilience, creating a specific coordination centre for knowledge sharing and developing common projects to limit cyber threats. 	
<p>Sept. 13, 2022</p>	<p><u>Governors and heads of supervision reaffirm expectation to implement basel III in full and as fast as possible; provide direction on future work on climate-related financial risks and cryptoassets</u></p> <p>The Group of Central Bank Governors and Heads of Supervision (GHOS), the oversight body of the Basel Committee on Banking Supervision, met on September 12, 2022.</p> <p>GHOS reiterated its expectation to implement all aspects of the Basel Framework in a full and consistent manner, and as fast as possible, in light of the resurgence of inflation in many jurisdictions, which, coupled with a deteriorating macroeconomic outlook and tighter financial conditions, may expose vulnerabilities accumulated in the financial system.</p> <p>GHOS reviewed, and endorsed, the Committee's holistic approach to developing and assessing potential measures related to disclosure, supervision and/or regulation with respect to climate-related financial risk. With respect to cryptoassets, members reiterated the importance of designing a robust and prudent regulatory framework for banks' exposures to cryptoassets that promotes responsible innovation while preserving financial stability; it tasked the Committee with finalizing such a framework around the end of 2022.</p>	
<p>Sept. 1, 2022</p>	<p><u>Building portfolios of sovereign securities with decreasing carbon footprints</u></p> <p>This working paper proposes a strategy to build a "net zero" portfolio of sovereign securities that delivers progressively declining carbon footprints. Passive investors could use it as a new Paris-consistent benchmark to construct a "net zero" (NZ)</p>	

	<p>portfolio while tracking closely the risk-adjusted returns of a business-as-usual (BAU) benchmark. The strategy outlined in the paper would reward sovereign issuers that have made stronger efforts in reducing carbon intensity, measured by total domestic emissions per capita.</p>	
Aug. 29, 2022	<p>Large Exposures Standard – Executive Summary</p> <p>The Financial Stability Institute (FSI) of BIS has published an Executive Summary of the Large Exposures (LEX) Standard, which seeks to monitor and limit the loss that an internationally active bank can face from a single client or from a group of connected counterparties. The standard came into force on 1 January 2019.</p>	
Aug. 25, 2022	<p>Safeguarding operational resilience: The macroprudential perspective</p> <p>FSI has published its Brief No. 17, Safeguarding Operational Resilience: The Macroprudential Perspective. Financial firms' increased reliance on technology and the additional complexity and interconnections that technology has brought to the financial ecosystem pose risks to the operational resilience not only of individual institutions but also of the financial system. While many authorities have chosen to have separate policies or guidelines related to risk management, business continuity management and third-party management to achieve operational resilience, a few have put all these things together to come up with a holistic operational resilience policy. This brief examines issues and challenges around operational resilience policies.</p>	
Aug. 4, 2022	<p>CPMI and IOSCO publish a discussion paper on CCPs' practices for addressing non-default losses</p> <p>The Bank for International Settlements' Committee on Payments and Market Infrastructures (CPMI) and the International Organization of Securities Commissions (IOSCO) has published for public comment a discussion paper on central counterparty (CCP) practices to address non-default losses (NDL).</p> <p>This discussion paper seeks to advance industry efforts and foster dialogue on the key concepts and processes used by CCPs. It outlines current practices at various CCPs to address NDLs in business as usual (BAU), recovery and orderly wind-down scenarios.</p> <p>The discussion paper is not intended to create additional standards for CCPs beyond those set out in the Principles for financial market infrastructures (PFMI). Nor is it intended to be an assessment of whether CCPs have appropriately implemented the standards set out in the PFMI regarding NDLs.</p> <p>The purpose of the paper is to elicit comments and feedback from a broad range of interested stakeholders.</p>	<p>Comments were due Oct. 4, 2022</p>

<p>Aug. 3, 2022</p>	<p>Entity-based vs activity-based regulation: A framework and applications to traditional financial firms and big techs</p> <p>Recently released FSI Occasional Paper No. 19 proposes a framework for classifying financial stability regulatory measures as activity-based (AB) – which constrain an activity on a standalone basis – or entity-based (EB) – which constrain a combination of activities at the level of entities. The choice of EB or AB regulation depends on where the financial instability originates; adopting both together helps overcome their individual shortcomings.</p>	
<p>July 29, 2022</p>	<p>CPMI calls for comments on a facilitating increased adoption of payment versus payment (PvP)</p> <p>The Committee on Payments and Market Infrastructures (CPMI) has published a consultative report, Facilitating increased adoption of payment versus payment (PvP) to reduce foreign exchange settlement risk and improve cross-border payments. The report analyzes the causes of non-PvP settlement, takes stock of existing and proposed new PvP solutions and suggests roles for the private and public sectors, including central banks, to facilitate PvP adoption.</p>	<p>Comments were due Sept. 30, 2022</p>
<p>July 13, 2022</p>	<p>CPMI and IOSCO publish Final Guidance on Stablecoin arrangements confirming application of principles for financial market infrastructures</p> <p>The Bank for International Settlements' (BISs) Committee on Payments and Market Infrastructures (CPMI) and the International Organization of Securities Commissions (IOSCO) published final guidance confirming that stable-coin arrangements should observe international standards for payment, clearing and settlement systems.</p>	
<p>July 11, 2022</p>	<p>Central banks face key decisions on interoperability and cross-border usage if CBDCs are to fulfil their potential - joint report</p> <p>The BIS Innovation Hub, the International Monetary Fund (IMF) and the World Bank have jointly published Options for access to and interoperability of CBDCs for cross-border payments, which highlights the need for central banks to make fundamental decisions on foreign access and how CBDCs connect across jurisdictions. This report assesses different options for access to and interoperability of CBDCs and concludes there is no "one size fits all" solution.</p>	
<p>July 12, 2022</p>	<p>Regulatory Consistency Assessment Programme (RCAP): Assessment of Basel Committee's large exposures framework – European Union</p> <p>Through its Regulatory Consistency Assessment Programme (RCAP), the Basel Committee monitors the timely adoption of regulations by its members, assesses the regulations' consistency with the Basel framework and examines the consistency of banks' calculation of the prudential ratios across jurisdictions. The RCAP also helps member jurisdictions to</p>	

	<p>identify and assess the materiality of any deviations from the Basel framework.</p> <p>This report describes the Committee's assessment of the implementation of the Basel Committee's large exposures framework (LEX) in the European Union (EU). The EU's LEX regulations have been assessed as largely compliant.</p> <p>This report describes the Committee's assessment of the implementation of the Basel Committee's large exposures framework (LEX) in the European Union (EU). The EU's LEX regulations have been assessed as largely compliant.</p>	
July 7, 2022	<p>High-Level considerations on proportionality</p> <p>The Basel Committee on Banking Supervision (BCBS) has published high-level considerations on proportionality. The publication aims to provide practical support to supervisory authorities seeking to implement proportionality in their domestic regulatory and supervisory frameworks, in a way that does not undermine financial stability or the safety of financial institutions.</p>	
July 5, 2022	<p>Big tech interdependencies – A key policy blind spot</p> <p>A newly released report of the Financial Stability Institute (FIS), Bank for International Settlements (BIS) assesses the internal and external interdependencies inherent in big tech business models. It further outlines the regulatory implications of how big techs provide financial services and the tools financial authorities have to address related risks.</p>	
Canada Deposit Insurance Corporation (CDIC)		
Oct. 29, 2022	<p>Proposed by-law amending the Canada deposit insurance corporation prescribed practices Premium Surcharge By-law</p> <p>On March 2, 2022, CDIC made the Canada Deposit Insurance Corporation Eligible Financial Contracts By-law (EFC By-law). The EFC By-law prescribes the federal member institutions that must amend their eligible financial contracts (EFCs) so that the stay provisions in the Canada Deposit Corporation Act apply to those EFCs. The EFC By-law also provides a significant transition period.</p> <p>Non-compliance with the EFC By-law creates a risk to an orderly resolution of the member institution, and to the Canadian financial system as a whole. To address that risk, the Canada Deposit Insurance Corporation proposes amending the Premium Surcharge By-law to add non-compliance with the EFC By-law as a practice that warrants a premium surcharge.</p>	<p>Comments were due Nov. 28, 2022</p>
As at April 30, 2022	<p>Changes to expand CDIC deposit protection</p> <p>A number of changes to CDIC deposit protection are in effect, including the following:</p>	

	<ul style="list-style-type: none"> • Separate coverage for up to \$100,000 in eligible deposits held in Registered Education Savings Plans (RESPs) • Separate coverage for up to \$100,000 in eligible deposits held under Registered Disability Savings Plans (RDSPs) • New rules to strengthen the protection of eligible deposits held in trust and eligible deposits placed through brokers <p>Additional changes include the removal of separate coverage for deposits in mortgage tax accounts, which typically have small balances and remain protected under other coverage categories.</p>	
Payments Canada		
Nov. 21, 2021	<p>Updated retail batch payment system rules</p> <p>Certain Payments Canada rules have been updated with amendments to accommodate the removal of the Large Value Transfer System (LVTS), approved by the Board May 13, 2022, effective Nov. 21, 2022:</p> <ul style="list-style-type: none"> • CPA Rules Manual, Introduction • Rule A1, General Rules Pertaining to Items Acceptable for Clearing • Rule B1, Intermember Exchange and Clearing at Regional Exchange Points • Rule B2, Manual Preparation of Clearing Logs • Rule G3, Rules Pertaining to the Redemption and Settlement of Government of Canada Paper Instruments • Rule G12, Procedures for Public Works and Government Services Canada (PWGSC) Direct Deposit Payment Items (also includes amendments to accommodate changes for Lynx MX) • Rule H6, Rules Pertaining to the Inter Financial Institution Exchange of Bill Payment Remittances for the Purpose of Clearing and Settlement (also includes removal of contact details in Appendices II and IV) • Rule J10, Intermember Domestic Interest Claims/Compensation (also includes amendments to accommodate changes for Lynx MX) • Rule L3, Collateral 	Effective Nov. 21, 2022

<p>Nov. 20, 2022</p>	<p>Updated Lynx Rules - High-value payment system – Lynx</p> <p>The following Lynx Rules have been updated, effective November 20, 2022:</p> <ul style="list-style-type: none"> • Rule 1, Interpretation • Rule 2, General • Rule 3, Access • Rule 6, Payment transmission • Rule 8, Management of settlement mechanisms • Rule 9, End of payments processing cycle • Rule 10, Finality and return • Rule 11, Testing and certification • Rule 12, Emergencies • Rule 14, Claims and compensation • Rule 16, Remittance information • TSP-001, Lynx payment message types and formats • TSP-002, Lynx emergency procedures • TSP-003, Lynx system parameters • PRD-001, Settlement exchange transaction (SET) • PRD-002, Procedures for foreign currency transfers within Canada • PRD-003, Procedures for claims and compensation for US dollar and foreign currency transfers within Canada • TSP-005, Lynx MX payment message types and formats 	<p>Effective Nov. 20, 2022</p>
<p>Nov. 14, 2022</p>	<p>New and updated retail batch payment system rules</p> <p>One new rule was implemented, and two others updated, effective November 14, 2022:</p> <ul style="list-style-type: none"> • Rule C-1, Cross-Border Arrangements (New) <ul style="list-style-type: none"> ○ This Rule outlines the requirements that a Direct Clearer must fulfill in order to set up ACSS/USBE Authorized Personnel to 	<p>Effective Nov. 14, 2022</p>

	<p>access the ACSS/USBE Application in a country other than Canada, including access to the ACSS/USBE Application via remote access outside of Canada.</p> <ul style="list-style-type: none"> • Rule A-4, Returned and Redirected Items (Amendments to subsection 4(b) and 4(c) to add clarification on the applicable return reasons for Certified Items, Bank Drafts and Money Orders) • Rule D-4, Institution Numbers and Clearing Agency/Representative Arrangements (Revisions made under the authority of the CPA President) • Standard 007, Standards for the use of transaction codes and return reason codes in AFT files (Administrative amendment to correct the Return Reason Code range for Customer Initiated Returns (Debits Only)) 	
Oct. 3, 2022	<p>Rule H1: Pre-Authorized Debits (PADS)</p> <p>Payments Canada has published an updated edition of Rule H1, which outlines the procedures for the Exchange for the purpose of Clearing and Settlement of every pre-authorized debit. The updated edition contains amendments to change the grace period end date in sections 1, 14, 33 and 34 from March 1, 2024 to December 31, 2023. Amendments made to the Rule on May 13, 2022 are replaced in their entirety by identical amendments other than the grace period end date amendments. Amendments were approved by the Board June 9, 2022 and are effective October 3, 2022.</p>	<p>Effective Oct. 3, 2022</p>
Oct. 3, 2022	<p>Rule A4: Returned and redirected items</p> <p>Canadian Payments Association has published an updated edition of Rule A4, incorporating amendments that remove specific references to Rule H1. The amendments are effective October 3, 2022.</p>	<p>Effective Oct. 3, 2022</p>
<p>Financial Stability Board (FSB)</p>		
Nov. 17, 2022	<p>Developing the implementation approach for the cross-border payments targets: Final Report</p> <p>In November 2020, the FSB developed a Roadmap for enhancing cross-border payments in coordination with the Committee on Payments and Market Infrastructures (CPMI) and other international organizations and standard-setting bodies. Part of the Roadmap was to set quantitative global targets for addressing the four challenges faced by cross-border payments: cost, speed, transparency and access. To create accountability and maintain momentum, the FSB committed to develop a framework for monitoring progress toward the targets using key performance</p>	

	<p>indicators (KPIs) against which future progress would be measured.</p> <p>This Final Report provides an update on the development of this framework, which has been challenged by the complexity of the cross-border payments ecosystem. This has meant that comprehensive data sources do not already exist that would support the calculation of global KPIs that are representative of the overall market and that also provide regional or corridor-level granularity. The report provides a high-level of the main data sources; a more detailed discussion of each KPI; the operationalization of the monitoring exercise; and next steps.</p>	
<p>Oct. 17, 2022</p>	<p>Achieving greater convergence in cyber incident reporting – Consultative document</p> <p>The G20 asked the FSB to deliver a report on achieving greater convergence in cyber incident reporting. This was in the context of the growth in frequency and sophistication of cyber incidents and the expanding landscape of cyber threats; and the need for timely and accurate information on cyber incidents to enable effective incident response and recovery and promote financial stability.</p> <p>FSB has issued a consultative document that:</p> <ul style="list-style-type: none"> • Sets out recommendations to address impediments to achieving greater convergence in cyber incident reporting with a view to promote better practices; • Advances work to develop common terminologies around cyber; and • Proposes the development of a format for incident reporting exchange (FIRE) to promote convergence, address operational challenges arising from reporting to multiple authorities and foster better communication. <p>The FSB is inviting feedback on this consultative document.</p>	<p>Comments were due Dec. 31, 2022</p>
<p>Oct. 13, 2022</p>	<p>Supervisory and regulatory approaches to climate-related risks: Final report</p> <p>FSB has published its final report on Supervisory and Regulatory Approaches to Climate-related Risks, which focuses on cross-sectoral and system-wide aspects of climate-related financial risks. It provides high-level recommendations to promote consistency as authorities continue to develop their approaches to monitor, manage and mitigate risks arising from climate change. The report has been finalised following a public consultation on the interim report in April 2022. It focuses on three areas in particular:</p> <ul style="list-style-type: none"> • Supervisory and regulatory reporting and collection of climate-related data from financial institutions as 	

	<p>foundational elements in the identification and monitoring of climate-related risks;</p> <ul style="list-style-type: none"> • System-wide supervisory and regulatory approaches to assessing climate-related risks, including the use of analytical tools such as climate scenario analysis and stress testing; and • Assessing the extent to which current policies and tools address climate-related risks, and early consideration of other potential macroprudential policies and tools to address systemic risks that may not be addressed fully by current measures, based on the work of standard-setting bodies and authorities. 	
<p>Oct. 11, 2022</p>	<p>FSB proposes framework for the international regulation of crypto-asset activities</p> <p>FSB has published International Regulation of Crypto-asset Activities: A proposed framework, with questions for consultation. This framework includes two core components:</p> <ul style="list-style-type: none"> • Recommendations that promote the consistency and comprehensiveness of regulatory, supervisory and oversight approaches to crypto-asset activities and markets and strengthen international cooperation, coordination and information sharing (described below in the entry <i>Regulation, Supervision and Oversight of Crypto-Asset Activities and Markets: Consultative report</i>); and • Revised high-level recommendations for the regulation, supervision, and oversight of “global stablecoin” arrangements to address associated financial stability risks more effectively (described below). <p>The FSB is soliciting comments from the public on the proposed recommendations. The framework note includes a set of questions for this purpose.</p>	<p>Comments were due Dec. 15, 2022</p>
<p>Oct. 11, 2022</p>	<p>Regulation, supervision and oversight of crypto-asset activities and markets: Consultative report</p> <p>The FSB, as mandated by the G20, has issued a consultative report that examines regulatory and supervisory issues raised by crypto-asset activities with a focus to address financial stability risks. Building on a comprehensive analysis of market structure, an extensive survey on national regulatory approaches, and an assessment of challenges and gaps, the FSB proposed high-level recommendations to promote a consistent regulatory framework. The report:</p> <ul style="list-style-type: none"> • Describes essential activities and analyses the interconnectedness of crypto-asset markets; 	<p>Comments were due Dec. 15, 2022</p>

	<ul style="list-style-type: none"> • Provides an overview of applicable international standards and describes regulatory and supervisory approaches to crypto-asset activities; • Identifies issues and challenges as well as potential gaps in regulatory, supervisory and oversight approaches to crypto-asset activities; and • Proposes a set of high-level recommendations for the regulation, supervision and oversight of crypto-asset activities and markets. <p>These recommendations are a core component of FSB's International Regulation of Crypto-asset Activities: A proposed framework. The FSB is soliciting comments from the public on the proposed recommendations. The framework note includes a set of questions for this purpose.</p>	
<p>Oct. 11, 2022</p>	<p>Review of the FSB high-level recommendations of the regulation, supervision and oversight of “Global Stablecoin” arrangements: Consultative report</p> <p>The FSB has issued a report that reviews its set of 10 high-level recommendations on the regulation, supervision and oversight of so-called “global stablecoin” (GSC) arrangements. The report covers:</p> <ul style="list-style-type: none"> • Recent market developments and the characteristics of existing stablecoins; • Recent policy developments, including regulatory initiatives and recent work of the SSBs; and • Proposals to revise the High-level Recommendations. <p>The high-level Recommendations seek to promote consistent and effective regulation, supervision and oversight of GSCs across jurisdictions to address the potential financial stability risks posed by GSCs, both at the domestic and international level, while supporting responsible innovation and providing sufficient flexibility for jurisdictions to implement domestic approaches.</p> <p>These proposals are a core component of FSB's International Regulation of Crypto-asset Activities: A proposed framework. The FSB is soliciting comments from the public on the proposals. The framework note includes a set of questions for this purpose.</p>	<p>Comments were due Dec. 15, 2022</p>
<p>Sept. 14, 2022</p>	<p>FSB seeks feedback on first experiences with the framework for information from Financial Market Infrastructure (FMI) intermediaries</p> <p>The FSB has conducted a survey to gather feedback on its Framework for information from FMI Intermediaries to support resolution planning (the Framework). The purpose</p>	<p>Comments were due Oct. 9, 2022</p>

	<p>of the framework is to help FMI intermediaries better understand which information clients and their resolution authorities may need from them leading up to, and during, a firm's resolution. The Framework provides an overview of the baseline information that is potentially relevant for clients and resolution authorities, which they and FMI intermediaries can then discuss, as needed, in their bilateral engagement.</p>	
July 22, 2022	<p>Public responses to consultation on supervisory and regulatory approaches to climate-related risks: Interim report</p> <p>On 29 April 2022, the FSB published an interim report on Supervisory and Regulatory Approaches to Climate-related Risks. Interested parties were invited to provide written comments by June 30, 2022. The public comments received are now available here.</p>	
July 13, 2022	<p>Interim report: Exit strategies to support equitable recovery and address effects from COVID-19 scarring in the financial sector</p> <p>This interim report considers exit strategies through the lens of financial stability and the capacity of the financial system to finance strong and equitable growth; it primarily reflects experiences through to the first quarter of 2022. The final report is expected to be delivered to the G20 in November 2022, and will consider relevant new economic developments and input from stakeholders. It will aim to present conclusions regarding the financial stability issues related to scarring effects from COVID-19 and how the FSB will address these issues going forward.</p> <p>The FSB invites feedback from stakeholders on the interim report.</p>	<p>Comments were due Sept. 23, 2022</p>
July 11, 2022	<p>FSB statement on international regulation and supervision of Crypto-asset activities</p> <p>The FSB has made the following statement on the international regulation and supervision of crypto-asset activities, reaffirming its commitment to promote international consistency of regulatory and supervisory approaches, and facilitation of cross-border and cross-sector cooperation.</p>	
July 7, 2022	<p>Options to improve adoption of the LEI, in particular for use in cross-border payments</p> <p>The FSB has published a report exploring options and setting recommendations to promote the adoption of the Legal Entity Identifier (LEI) for use in cross-border payments outlining benefits that could accrue from the use of the LEI.</p> <p>The FSB will review progress in implementing the recommendations and later publish a progress report by the end-2024 on its implementation.</p>	

<p>July 6, 2022</p>	<p>FSB proposes key performance indicators for measuring progress toward the G20 cross-border payments targets</p> <p>The Financial Stability Board (FSB) published for public feedback an interim report on the approach for monitoring progress toward meeting the targets for the G20 Roadmap for Enhancing Cross-border Payments. The report provides preliminary recommendations about key performance indicators (KPIs) that could be used to monitor progress over time and identifies existing and potential sources of data for calculating those KPIs.</p>	<p>Comments were due July 31, 2022</p>
<p>Financial Action Task Force (FATF)</p>		
<p>Oct. 25, 2022</p>	<p>FATF guidance on beneficial ownership (Recommendation 24) - Public consultation</p> <p>In March 2022, FATF adopted amendments to Recommendation 24 on the transparency and beneficial ownership of legal persons; it has now issued for consultation updated Guidance to the Recommendation. It is particularly interested in comments on the following:</p> <ul style="list-style-type: none"> • Whether the Guidance is clear or are there any issues which need further clarification. • Are there case examples of registries and alternative mechanisms for holding of accurate, adequate and up-to-date beneficial ownership information? • Are there case examples of mechanisms to verify beneficial ownership information in low-risk scenarios? • Are there case examples of the use of information held by stock exchanges for listed companies to meet beneficial ownership information obligations? 	<p>Comments were due Dec. 6, 2022.</p>
<p>Oct. 25, 2022</p>	<p>Revision of recommendation 25 and its interpretive note – Public consultation</p> <p>As part of its review of Recommendation 25 and its Interpretive Note (R.25/INR.25), FATF has issued Draft Amendments and Draft Amendments to the Glossary for consultation. It is particularly interested in comments on the following:</p> <ul style="list-style-type: none"> • Are FATF proposals adequate to mitigate the risk of misuse of legal arrangements and to ensure access to BO information? 	<p>Comments were due by Dec. 6, 2022</p>

	<ul style="list-style-type: none"> • Are proposals clear and are there any issues which need further clarification or that should be addressed in guidance? • What is the expected impact of the proposals on legitimate activity? In particular, what are the challenges for implementation? 	
<p>July 20, 2022</p>	<p><u>Partnering in the fight against financial crime: Data protection, technology and private sector information sharing</u></p> <p>This recently released FATF report aims to help jurisdictions responsibly enhance, design and implement information collaboration initiatives among private sector entities, in accordance with data protection and privacy (DPP) rules.</p> <p>The report looks at global anti-money laundering, counter-terrorist financing and counter-proliferation financing requirements and how responsible private-to-private collaboration can contribute to their effective implementation.</p> <p>It also provides an introduction to the DPP principles and objectives that stakeholders should (or must) consider when designing private sector collaboration initiatives.</p> <p>The report provides case studies that set out how members of the FATF and its Global Network have increased private sector information sharing within the legal requirements of their domestic DPP framework. Their experiences indicate that private sector information sharing measures can be achieved in compliance with DPP rules and obligations, subject to key tests and requirements.</p> <p>Using these experiences and lessons learnt by members across the FATF Global Network, the report provides non-binding recommendations to assist countries that are considering increasing private sector information sharing to design and implement such initiatives responsibly and effectively.</p> <p>This report complements the FATF's report on <u>Stocktake on Data Pooling, Collaborative Analytics and Data Protection</u> (July 2021)</p>	
<p>Finance Canada</p>		
<p>Nov. 3, 2022</p>	<p><u>2022 Fall economic statement</u></p> <p>The 2022 Fall Economic Statement, presented by the Honourable Chrystia Freeland, Deputy Prime Minister and Minister of Finance, included statements that would apply to certain financial institutions and financial services providers:</p>	

	<ul style="list-style-type: none"> Lowering Credit Card Transaction Fees for Small Businesses: the government intends to enter into negotiations with payment card networks, financial institutions, acquirers, payment processors, and businesses to lower credit card transaction fees for small businesses in a manner that does not adversely affect other businesses and protects existing reward points for consumers. It has published draft amendments to the Payment Card Networks Act, with the intention of introducing the legislation should a negotiated solution not prove to be possible. Addressing the Digitalization of Money: the government intends to launch targeted consultations with stakeholders on digital currencies, including cryptocurrencies, stablecoins, and central bank digital currencies, to inform future policy development. <p>BLG's article on the recent changes to credit card surcharging rules can be found here: Credit card surcharges in Canada: what you need to know.</p>	
Legislation		
Senate Third Reading Dec. 15, 2022	<p>Bill S-11, Federal Law–Civil Law Harmonization Act, No. 4</p> <p>Bill S-11 amends the <i>Bank Act</i>, the <i>Cooperative Credit Associations Act</i>, the <i>Insurance Companies Act</i> and the <i>Trust and Loan Companies Act</i> to harmonize the terminology used with the concepts, institutions and terminology of civil law as expressed in the Civil Code of Quebec, 1991.</p>	

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