Jurisdiction : CANADA

2013 IMN Survey of National Progress in the Implementation of G20/FSB Recommendations

I. Refining the regulatory perimeter
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I.	**Refining the regulatory perimeter**				
1 (2)	Review of the boundaries of the regulatory framework including strengthening of oversight of shadow banking	We will each review and adapt the boundaries of the regulatory framework to keep pace with developments in the financial system and promote good practices and consistent approaches at an international level. (London)	Jurisdictions should indicate the steps taken to expand the domestic regulatory framework to previously unregulated entities, for example, non-bank financial institutions (e.g. finance companies, mortgage insurance companies, credit hedge funds) and conduits/SIVs etc.	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☒ Primary / Secondary legislation ☐ Regulation /Guidelines ☒ Other actions (such as supervisory actions), please specify: Please see below **Status of progress :** ☒ Reform effective (completed) as of: Enhanced oversight of Canada Derivatives Clearing Corporation and Clearnet's SwapClear by the Bank under the *Payment Clearing and Settlement Act* (April 2012 and April 2013 respectively); Policy recommendations for Money Market Funds (October 2012) **Short description of the content of the legislation/ regulation/guideline:** On December 22, 2011, the Supreme Court of Canada found that provinces and Parliament share responsibility for securities regulation, with Parliament having a role regarding matters of genuine national importance and scope, including maintaining the integrity and stability of the financial system, preserving fair, efficient and competitive	**Planned actions (if any):** Canada will continue to participate on the various FSB workstreams. The Canadian Securities Administrators (CSA), a voluntary umbrella organization of Canada's provincial and territorial securities regulators whose objective is to improve, coordinate and harmonize regulation of the Canadian capital markets is currently in the process of revising the rules for securitized products to take into consideration the comments received and steps needed to ensure international harmonization, taking into consideration the features of the Canadian market. **Expected commencement date:** **Web-links to relevant documents:**
(1)		We agree to strengthen the regulation and oversight of the shadow banking system.[1] (Cannes)	Jurisdictions should indicate policy measures to strengthen the regulation and oversight of the shadow banking system. See, for reference, the recommendations discussed in section 2 of the October 2011 FSB report: *Shadow Banking: Strengthening Oversight and Regulation*.		

[1] This recommendation will be retained until the monitoring framework for shadow banking, which is one of the designated priority areas under the CFIM, is established.

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				national capital markets, and preventing and responding to systemic risks, such as those posed by over-the-counter derivatives. The 2013 federal budget confirmed that if an agreement with provinces on the cooperative establishment of a common securities regulator is not reached in the near term, the federal government will propose legislation to ensure it can carry out its regulatory responsibilities for capital markets consistent with the decision of the Supreme Court. Office of the Superintendent of Financial Institutions (OSFI) has initiated supervisory work to examine Canadian banks' exposures to and potential risks from shadow banking entities, in the context of the Canadian marketplace. Canada participates on each of the 5 FSB Shadow Banking workstreams. The Bank of Canada (BoC) is expanding resources devoted to assessing risks and vulnerabilities in the financial system, including the shadow banking system. For example, following the recommendations of the FSB Shadow Banking Task Force, Canada conducted its first annual monitoring exercise to assess trends and risks in shadow banking led by the BoC. This study fed into the global exercise coordinated by the FSB Standing Committee on	

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				Assessment of Vulnerabilities. The Bank also published reports on Canada's shadow banking sector in its Financial System Review (FSR) in June 2011 and June 2013. The following concrete initiatives have also taken place: In 2009, the Investment Industry Association of Canada (IIAC) selected the Canadian Derivatives Clearing Corporation (CDCC) to develop a fixed income repo Central Counterparty (CCP). The first phase of this new service, clearing of bilaterally traded, single security repurchase agreements (repos), began operations on February 21, 2012. In its second phase, CDCC implemented clearing of blind repos (through inter-dealer brokers) on single securities in December 2012 and of cash trades on Government securities in March 2013. Effective April 30th, 2012 the BoC designated the Canadian Derivatives Clearing Service (CDCS), CDCC's clearing system, as subject to oversight by the Bank under the *Payment Clearing and Settlement Act*. The *Autorité des marchés financiers* (Quebec markets regulator) (AMF) and the Ontario Securities Commission (OSC) are participating in the IOSCO Standing Committee on Risk and	

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				Research (SCRR), which will monitor and assess proposals in identifying and mitigating system risk, including systemic risk indicators, the perimeter of regulation, shadow banking and SIFIs. The CSA have established several processes and mechanisms to address perimeter of regulation issues. For example, the CSA has several policy committees that deal with various issues that could affect the perimeter of regulation, including: securitization, financial innovation, investment fund regulation, and unregulated market service providers. The mandate of the CSA's Systemic Risk Committee (SRC) is: to develop and implement a process to follow up on and/or monitor identified systemic risks, or related knowledge gaps, in the Canadian capital markets from time to time, based on perceived need, to conduct comprehensive or targeted assessments of systemic risk in the Canadian capital markets; and to continue to build knowledge of systemic risks within the CSA, including how such risks may be transmitted as well as identified. The SRC also works with its domestic and foreign regulatory peers. The SRC has been coordinating quarterly inter-agency calls on systemic risk, including	

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				staff of the ASC, AMF, BCSC, OSC, the BoC, OSFI, the Federal Department of Finance, and Investment Industry Regulatory Organization of Canada (IIROC). The inter-agency calls have allowed staff to discuss matters with potential systemic risk implications including shadow banking, securitized investments, hedge funds, ETPs, money market funds, the potential shortage of safe assets for collateral, search for yields, benchmarks, cyber-security and global macroeconomic conditions. **Heads of Agencies (HoA)** The Heads of Agencies committee is chaired by the Governor of the BoC and includes four provincial Securities Regulators (i.e. the Ontario Securities Commission (OSC), *Autorité des marchés financiers* (AMF), Alberta Securities Commission (ASC), and British Columbia Securities Commission (BCSC)), the Department of Finance, and OSFI. This forum, which meets at least quarterly, allows federal authorities and provincial securities market regulators to exchange information and views and to coordinate actions on issues of mutual concern that are affecting the Canadian financial sector. Currently, the HoA's main focus includes ensuring a sound regulatory framework, driven by Canada's efforts to	

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				implement its G20 commitments, which are intended to address, among other issues, systemic risk issues, such as OTC derivatives and shadow banking. As mentioned previously, the SRC also interacts directly with staff from the other HoA agencies to discuss events, trends and policy initiatives relevant to systemic risk. This inter-agency group meets at least quarterly and also includes IIROC, which oversees investment dealers and trading activity on debt and equity marketplaces in Canada. **IOSCO's Standing Committee on Risk and Research** In addition, the ASC, AMF, and OSC are members of IOSCO's Standing Committee on Risk and Research (the "SCRR"). Participation in the SCRR has brought additional international perspective to the SRC and reaffirmed, at least to the SRC's comfort, that the SRC's methods and processes broadly follow Principles 6 and 7 of IOSCO's Objectives and Principles of Securities Regulation. In November 2012, CSA members completed a detailed thematic review survey prepared by IOSCO's Assessment Committee to determine the CSA's level of implementation of two of IOSCO's new Principles, namely: Principle 6 (systemic risk) and Principle 7 (perimeter	

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				of regulation). The results of this exercise have been finalized and will be published in the Fall of 2013. **Money Market Funds** On February 9, 2012, the CSA introduced amendments to their national instruments (rules) in order to impose new investment restrictions for money market funds. These include, among other things, new liquidity provisions and a restriction on aggregating certain types of short-term debt on the fund's statement of investment portfolio (increasing transparency for investors). Money market funds had until October 2012 to bring their portfolios into compliance with new requirements. In addition, both the AMF and OSC are members of IOSCO's Committee 5 on Investment Management, which had the mandate to develop policy recommendations for money market funds. The final policy recommendations for money market funds were published in October 2012. **OTC Derivatives and CCP for Fixed Income and Repos** In terms of Canadian efforts to manage and mitigate the risks that have already come to light, largely as a result of the financial crisis and the lessons we learned from it, staff from the federal and	

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				provincial agencies have been coordinating policy initiatives more generally with regards to OTC derivatives, hedge funds, and a CCP for fixed income and repos. With respect to OTC derivatives, Canadian authorities decided not to mandate clearing in Canada, but rather to permit clearing of standardized derivative products through globally-based CCPs provided that they comply with the Principles for Financial Market Infrastructure published by CPSS-IOSCO and that the safeguards identified by the FSB are met. Effective 2 April 2013, the BoC designated LCH. Clearnet's SwapClear as subject to oversight by the Bank under the *Payment Clearing and Settlement Act*. Furthermore, the AMF, BoC and OSC have been working with the Canadian Derivatives Clearing Corporation (CDCC) regarding the development of its CCP system for fixed income trades including repos to lower the level of systemic risk in this market. In addition, a working committee composed of representatives from the OSC, AMF, British Columbia Securities Commission (BCSC) and the BoC are engaged in a review to ensure that the Canadian Depository for Securities Limited (CDS)	

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				and CDCC are meeting the recently adopted Principles for Financial Market Infrastructures. **Securitization** Please refer to Section III, Item 8 **CSA's Securitization Initiatives** Please refer to Section III, Item 5 **Web-links to relevant documents:** http://www.osc.gov.on.ca/documents/en/Securities-Category4/ni_20110401_41-103_securitized-products.pdf http://www.osc.gov.on.ca/documents/en/Securities-Category8/rule_20120210_81-102_noa-mutual-funds.pdf http://www.iosco.org/library/pubdocs/pdf/IOSCOPD392.pdf http://www.bankofcanada.ca/2012/04/press-releases/bank-of-canada-designates-canadian-derivatives-clearing-service-under-the-payment-clearing-and-settlement-act/ http://www.iosco.org/library/pubdocs/pdf/IOSCOPD322.pdf http://www.osc.gov.on.ca/en/SecuritiesLaw_csa_20130327_81-102_rfc-proposed-amendments.htm	

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II.	**Hedge funds**				
2 (3)	Registration, appropriate disclosures and oversight of hedge funds	We also firmly recommitted to work in an internationally consistent and non-discriminatory manner to strengthen regulation and supervision on hedge funds …(Seoul) Hedge funds or their managers will be registered and will be required to disclose appropriate information on an ongoing basis to supervisors or regulators, including on their leverage, necessary for assessment of the systemic risks they pose individually or collectively. Where appropriate registration should be subject to a minimum size. They will be subject to oversight to ensure that they have adequate risk management. (London)	Jurisdictions should indicate the progress made in implementing the high level principles contained in IOSCO's *Report on Hedge Fund Oversight (Jun 2009)* that inter-alia included mandatory registration and on-going regulatory requirements such as disclosure to investors.	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☒ Regulation /Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☒ Reform effective (completed) as of September 2008 and ongoing **Short description of the content of the legislation/ regulation/guideline:** In Canada, hedge fund managers are required to be registered under securities laws under National Instrument 31-103 (Respecting Registration Requirements, Exemptions and Ongoing Registrant Obligations), which came into force on September 28, 2009. In the provinces of Ontario, Quebec and Newfoundland and Labrador, non-resident hedge fund managers (hedge fund managers that do not have their head office or their principal place of business in a jurisdiction of Canada or do not have a place of business in the local jurisdiction) are required to be registered if the funds they manage have security	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

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				holders in these provinces or have actively solicited residents of these provinces to purchase securities of their funds. These obligations are set out in the new Multilateral Instrument 32-102 (Respecting Registration Exemptions for Non-resident Investment Fund Managers), which came into force on September 28, 2012. **Web-links to relevant documents:** http://www.lautorite.qc.ca/files//pdf/reglementation/valeurs-mobilieres/31-103/2013-07-15/2013juil15-31-103-vofficielle-en.pdf http://lautorite.qc.ca/files//pdf/reglementation/valeurs-mobilieres/32-102/2013-03-31/2013mars31-32-102-vofficielle-en.pdf	

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3 (4)	Establishment of international information sharing framework	We ask the FSB to develop mechanisms for cooperation and information sharing between relevant authorities in order to ensure effective oversight is maintained when a fund is located in a different jurisdiction from the manager. We will, cooperating through the FSB, develop measures that implement these principles by the end of 2009. (London)	Jurisdictions should indicate the progress made in implementing the high level principles in IOSCO's *Report on Hedge Fund Oversight (Jun 2009)* on sharing information to facilitate the oversight of globally active fund managers.	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation /Guidelines ☒ Other actions (such as supervisory actions), please specify: Please see below **Status of progress :** ☒ Reform effective (completed) as of: March 2012 and ongoing **Short description of the content of the legislation/ regulation/guideline:** In July 2013, the AMF, BCSC, ASC and OSC signed MOUs with 29 European jurisdictions providing for the exchange of information and mutual assistance in the supervision of Alternative Investment Fund Managers. On March 23, 2012, the AMF, the OSC, the ASC and the BCSC entered into a similar MOU with the Australian Securities and Investments Commission (ASIC). This comprehensive arrangement will facilitate their supervision of regulated entities (including credit rating organizations) that operate on a cross-border basis in Australia and Canada. This MOU is	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

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				similar to an MOU that was previously signed with the US SEC. An MOU with another jurisdiction is also currently being negotiated. **Web-links to relevant documents:** http://www.iosco.org/library/pubdocs/pdf/IOSCOPD322.pdf http://www.sec.gov/about/offices/oia/oia_bilateral/canada_regcoop.pdf	

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4 (5) (6)	Enhancing counterparty risk management	Supervisors should require that institutions which have hedge funds as their counterparties have effective risk management, including mechanisms to monitor the funds' leverage and set limits for single counterparty exposures. (London) Supervisors will strengthen their existing guidance on the management of exposures to leveraged counterparties. (Rec. II.17,FSF 2008)	Jurisdictions should indicate specific policy measures taken for enhancing counterparty risk management and strengthening their existing guidance on the management of exposure to leveraged counterparties. See, for reference, the following BCBS documents : • *Sound Practices for Banks' Interactions with Highly Leveraged Institutions (Jan 1999)* • *Banks' Interactions with Highly Leveraged Institutions (Jan 1999)* • *Basel III (June 2011) – relevant references to counterparty credit risk standards*	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation /Guidelines ☒ Other actions (such as supervisory actions), please specify: Please see below **Status of progress :** ☒ Reform effective (completed) as of: January 2013 **Short description of the content of the legislation/ regulation/guideline:** Following Basel III changes, OSFI has increased the risk-weighted asset charge for exposures to unregulated financial institutions (e.g., hedge funds) by increasing Asset Value Correlation (AVC) by 25% (to 125%) in the Internal Ratings-Based (IRB) formula. See link to the OSFI Capital Adequacy Requirements Guideline, Chapter 6, Section 6.3.1, "Rules for corporate, sovereign, and bank exposures". Also, under the IRB Approach, "Minimum Requirements for IRB Approach", the Probability of Default (PD) estimates for borrowers that are highly leveraged or for borrowers whose assets are predominantly traded assets	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

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				must reflect the performance of the underlying assets based on periods of stressed volatilities. OSFI's supervision work includes assessment of appropriate controls and oversight of hedge funds by federally regulated financial institutions (FRFIs). These controls include single counterparty names and limits for each hedge fund. From the supervisory perspective, OSFI periodically obtains information on financial institutions' exposures to hedge funds. OSFI's large exposure rules cover entities such as hedge funds. **Web-links to relevant documents:** AVC Change : OSFI's Capital Adequacy Requirements Guideline, Chapter 6, Section 6.3.1, page 20 and 21: "Rules for corporate, sovereign, and bank exposures, and PDs using stressed volatilities: OSFI Capital Adequacy Requirements Guideline, Chapter 6, Section 6.8.2 Compliance with minimum requirements, paragraph 234: http://www.osfi-bsif.gc.ca/app/DocRepository/1/eng/guidelines/capital/guidelines/CAR_chpt6_e.pdf Large Exposure Limit Guidance: http://www.osfi-bsif.gc.ca/app/DocRepository/1/eng/guidelines/prudential/guidelines/b2_e.pdf	

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III.	**Securitisation**				
5 (7) (8)	Improving the risk management of securitisation	During 2010, supervisors and regulators will: • implement IOSCO's proposals to strengthen practices in securitisation markets. (FSB 2009) The BCBS and authorities should take forward work on improving incentives for risk management of securitisation, including considering due diligence and quantitative retention requirements by 2010. (London) Securitization sponsors or originators should retain a part of the risk of the underlying assets, thus encouraging them to act prudently. (Pittsburgh)	Jurisdictions should indicate the progress made in implementing the recommendations contained in: • IOSCO's *Report on Global Developments in Securitisation Regulation (Nov 2012)* including justification for any exemptions to IOSCO requirements; and • BCBS's Basel 2.5 standards on exposures to securitisations (Jul 2009), http://www.bis.org/publ/bcbs157.pdf and http://www.bis.org/publ/bcbs158.pdf	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☒ Regulation /Guidelines ☒ Other actions (such as supervisory actions), please specify: OSFI issued domestic guidance, in the form of an Advisory, in October 2008 that established OSFI's expected practices around the risk management of securitization exposures, including the management of reputational and concentration risks. The BCBS subsequently issued "Enhancements to the Basel II Framework" in July 2009, which expanded upon this domestic Advisory. OSFI has incorporated the Basel II enhancements, as well as expected practices from its 2008 Advisory not otherwise addressed by the Enhancements, in the domestic capital adequacy requirements (CAR) guideline, with the most recent revisions coming into effect January 1, 2013. OSFI participates in the BCBS Policy	**Planned actions (if any):** OSFI will continue to follow closely the work of FSB (WS4 on Securitization) and the domestic work of Canadian Securities Administrators (CSA). **Expected commencement date:** **Web-links to relevant documents:**

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				Development Group working on external ratings and securitization. **Status of progress :** ☒ Draft in preparation, expected publication by: End of 2013 **Short description of the content of the legislation/ regulation/guideline:** **CSA's Securitization Initiatives** In April 2011, members of the CSA published a draft regulatory framework entitled "Proposed Securitized Product Rules" to improve investor protection through enhanced transparency and disclosure requirements as well as to modify the current exemptions that investors use to access these products in the exempt market. The main features of that framework included: enhanced prospectus disclosure requirements for securitized products issued by reporting issuers; new prospectus exemption rules for securitized products that require, in most cases, the delivery of an "information memorandum" to investors; a narrower class of investors who can buy products on a prospectus exempt basis; and continuous disclosure and prescribed monthly reporting obligations for both reporting issuers and issuers in the exempt market. One of the issues that the CSA was	

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				seeking comment on is whether there should be requirements that securitizations be structured in a particular manner, such as requiring that sponsors or other transaction parties retain a minimum tranche or tranches of the securitization (a "skin-in-the-game" or risk retention requirement). The draft regulatory framework proposed by the CSA would only have imposed disclosure of risk retention measures taken by promoters and issuers. The proposed amendments to the regulation will be published for comment in 2013. The CSA expect that the proposed amendments will be a final rule, and will only address the distribution of asset-backed commercial paper in the exempt market. Issuers wishing to avail themselves of the exemption would have to provide reasonable access to an "information memorandum" to investors and comply with continuous disclosure obligations. The exemption will only be available for the sale of asset-backed commercial paper that meets a number of eligibility enhancements. The rule would only impose disclosure of risk retention measures taken by promoters and issuers. **Web-links to relevant documents:** http://www.lautorite.qc.ca/en/history-	

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				regulation-41-103-conso.html http://www.lautorite.qc.ca/en/history-regulation-51-106-conso.html http://www.lautorite.qc.ca/files//pdf/reglementation/valeurs-mobilieres/45-106/2011-06-30/2011juin30-45-106-vofficielle-en.pdf http://www.lautorite.qc.ca/files//pdf/reglementation/valeurs-mobilieres/52-109/2011-01-01/2011jan01-52-109-vadmin-en.pdf http://www.lautorite.qc.ca/files/pdf/reglementation/valeurs-mobilieres/45-102/2009-09-28/2009sept28-45-102-vadmin-en.pdf October 2008 Securitization Expected Practices http://www.osfi-bsif.gc.ca/app/DocRepository/1/eng/guidelines/capital/advisories/sec_prac_e.pdf 2013 OSFI Capital Adequacy Requirements http://www.osfi-bsif.gc.ca/osfi/index_e.aspx?ArticleID=5050	

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6 (9)	Strengthening of regulatory and capital framework for monolines	Insurance supervisors should strengthen the regulatory and capital framework for monoline insurers in relation to structured credit. (Rec II.8 ,FSF 2008)	Jurisdictions should indicate the policy measures taken for strengthening the regulatory and capital framework for monolines. See, for reference, the following principles issued by IAIS: • *ICP 13* – Reinsurance and Other Forms of Risk Transfer • *ICP 15* – Investments, and • *ICP 17* - Capital Adequacy. Jurisdictions may also refer to the IAIS *Guidance paper on enterprise risk management for capital adequacy and solvency purposes (Oct 2008).*	Not applicable ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** While monoline insurers operate in Canada, none of the private monoline insurers provide structured credit in Canada. **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation /Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** No response **Short description of the content of the legislation/ regulation/guideline:** **Web-links to relevant documents:**	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

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7 (10)	Strengthening of supervisory requirements or best practices for investment in structured products	Regulators of institutional investors should strengthen the requirements or best practices for firms' processes for investment in structured products. (Rec II.18 ,FSF 2008)	Jurisdictions should indicate the policy measures taken for strengthening best practices for investment in structured product. See, for reference, the principles contained in IOSCO's report on *Good Practices in Relation to Investment Managers´ Due Diligence When Investing in Structured Finance Instruments (Jul 2009)* and *Suitability Requirements for Distribution of Complex Financial Products (Jan 2013).* Jurisdictions may also refer to the Joint Forum report on *Credit Risk Transfer-Developments from 2005-2007 (Jul 2008).*	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☒ Regulation /Guidelines ☒ Other actions (such as supervisory actions), please specify: Please refer to Section III, Item 5 **Status of progress :** ☒ Draft published as of: April 2011 **Short description of the content of the legislation/ regulation/guideline:** Please refer to Section III, Item 5. **Web-links to relevant documents:**	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

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8 (11)	Enhanced disclosure of securitised products	Securities market regulators should work with market participants to expand information on securitised products and their underlying assets. (Rec. III.10-III.13, FSF 2008)	Jurisdictions should indicate the policy measures taken for enhancing disclosure of securitised products. See, for reference, IOSCO's *Report on Principles for Ongoing Disclosure for Asset-Backed Securities (Nov 2012)* that complements IOSCO's *Disclosure Principles for Public Offerings and Listings of Asset-Backed Securities (Apr 2010)*.	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☒ Regulation /Guidelines ☒ Other actions (such as supervisory actions), please specify: Please see below **Status of progress :** ☒Draft published as of: April 2011 **Short description of the content of the legislation/ regulation/guideline:** On November 16, 2012, IOSCO's Task Force on Unregulated Markets and Products (TFUMP) released its final report on "Global Developments in Securitization Regulation". This report was further to its June 2012 Consultation Report in response to a request from the FSB as part of its work to strengthen oversight and regulation of the shadow banking system. The FSB requested that IOSCO, in coordination with the Basel Committee on Banking Supervision, conduct a stock-taking exercise on the requirements for risk retention and measures enhancing transparency and standardization of securitization products, and to develop policy recommendations	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

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				as necessary, with an aim to support sound regulation of securitization markets. The AMF and the OSC are members of TFUMP's Working Group on Securitization **Canadian Context** Please refer to Section III, Item 5 **Web-links to relevant documents:** http://www.iosco.org/library/pubdocs/pdf/IOSCOPD372.pdf	

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IV.	**Enhancing supervision**				
9 (12)	Consistent, consolidated supervision and regulation of SIFIs	All firms whose failure could pose a risk to financial stability must be subject to consistent, consolidated supervision and regulation with high standards. (Pittsburgh)	Jurisdictions should indicate the policy measures taken for implementing consistent, consolidated supervision and regulation of SIFIs.[2] See, for reference, the following documents: Joint Forum: • *Principles for the supervision of financial conglomerates (Sep 2012)* BCBS: • *Framework for G-SIBs (Nov 2011)* • *Framework for D-SIBs (Oct 2012)* • *BCP 12 (Sep 2012)* IAIS: *ICP 23* – Group wide supervision FSB: • *Framework for addressing SIFIs (Nov 2011)*	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☒ Regulation /Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☒ Reform effective (completed) as of: March 2012 **Short description of the content of the legislation/ regulation/guideline:** The G20 Cannes declaration called on the FSB, in consultation with IOSCO, to prepare methodologies to identify systemically important non-bank financial entities. IOSCO is progressing well with this mandate, which is aimed in part at distinguishing hedge funds that are systemically important at a national level from those that are systemically important at an international level. In terms of systemic risk, the AMF, the OSC and the ASC are members of IOSCO's Standing Committee on Risk	**Planned actions (if any):** OSFI will continue to participate in international and domestic work related to G-SIB/G-SII and D-SIB/D-SII frameworks and will continue to oversee implementation of relevant policy measures. **Expected commencement date:** Current and Ongoing. **Web-links to relevant documents:**

[2] The scope of the follow-up to this recommendation will be revised once the monitoring framework on policy measures for G-SIFIs, which is one of the designated priority areas under the CFIM, is established.

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				and Research (SCRR), which has a mandate to further develop and coordinate work on systemic risk. The results of IOSCO's work will be closely considered in Canada by the CSA and others. In March 2013, OSFI published an Advisory that identifies domestic systemically important banks in Canada in the context of OSFI's assessment of systemic risk, and establishes a 1% common equity surcharge for designated banks. The Canadian banks designated as D-SIBs are subject to more intensive supervision. OSFI is also in the process of applying recommendations set out by the Supervisory Intensity and Effectiveness Committee. D-SIBs are also developing recovery and resolution plans, as well discussing such plans at crisis management groups. OSFI continues to participate in international and domestic work related to G-SIB/D-SIB and G-SII/D-SII frameworks. In June 2013, the *Autorité des marchés financiers* (Québec market regulator) (AMF), published a Notice confirming Desjardins Group as a domestic systemically important financial institution. As such, Desjardins Group will be subject to an additional Tier 1a	

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				risk-weighted assets requirement for D-SIFIs, and to enhanced supervision by the AMF. **Web-links to relevant documents:** http://www.iosco.org/library/pubdocs/pdf/IOSCOPD347.pdf March 2013 D-SIBs Advisory: http://www.osfi-bsif.gc.ca/app/DocRepository/1/eng/guidelines/capital/advisories/DSIB_adv_e.pdf OSFI Supervisory Framework: http://www.osfi-bsif.gc.ca/app/DocRepository/1/eng/practices/supervisory/framew_e.pdf June 2013 notice confirming designation of Desjardins Group as D-SIFI by the AMF: http://www.lautorite.qc.ca/files/pdf/reglementation/assurances-inst-depot/avis-ifis-d-cq_desjardins_a.pdf	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
10 (13) (14)	Establishing supervisory colleges and conducting risk assessments	To establish the remaining supervisory colleges for significant cross-border firms by June 2009. (London) We agreed to conduct rigorous risk assessment on these firms through international supervisory colleges …(Seoul)	Reporting in this area should be undertaken solely by home jurisdictions of significant cross-border firms. Relevant jurisdictions should indicate the steps taken and status of establishing remaining supervisory colleges and conducting risk assessments. See, for reference, the following documents: BCBS: • *Good practice principles on supervisory colleges (Oct 2010)* • *Report and recommendations on cross-border bank resolution (Mar 2010)* IOSCO: • *Principles Regarding Cross-Border Supervisory Cooperation (May 2010)* IAIS : • *ICP 25 and Guidance 25.1.1 – 25.1.6 on establishment of supervisory colleges* • *Guidance 25.6.20 and 25.8.16 on risk assessments by supervisory colleges*	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☒ Regulation /Guidelines ☒ Other actions (such as supervisory actions), please specify: Please see below The establishment of supervisory colleges for all major Canadian banks is complete **Status of progress :** ☒ Reform effective (completed) as of: February 2009 **Short description of the content of the legislation/ regulation/guideline:** The March 2013 D-SIB Advisory notes that OSFI's enhanced supervision of D-SIBs includes extensive use of supervisory colleges to share and coordinate supervision, including the execution of supervisory plans, with applicable host-country jurisdictions of Canadian D-SIBs. **Web-links to relevant documents:** http://www.osfi-bsif.gc.ca/app/DocRepository/1/eng/speeches/rbcspclg_e.pdf	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
11 (15)	Supervisory exchange of information and coordination	To quicken supervisory responsiveness to developments that have a common effect across a number of institutions, supervisory exchange of information and coordination in the development of best practice benchmarks should be improved at both national and international levels. (Rec V.7 , FSF 2008)	Jurisdictions should include any feedback received from recent FSAPs/ROSC assessments on the *October 2006* Basel Core Principle (BCP) 25 (Home-host relationships) or, if more recent, the *September 2012* BCP 3 (Cooperation and collaboration) and BCP 14 (Home-host relationships). Jurisdictions should also indicate any steps taken since the last assessment in this area, particularly in response to relevant FSAP/ROSC recommendations.	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation /Guidelines ☒ Other actions (such as supervisory actions), please specify: OSFI maintains relationships with the major regulators of our FIs formally through MoUs, which set out the sharing of information. Information is also gathered through bilateral and quarterly monitoring discussions and Supervisory Colleges. Additionally, the AMF, BCSC, ASC and the OSC have entered into MoUs with various international bodies. Further sharing of information takes place in the context of the development of recovery and resolution plans. **Status of progress :** ☒ Reform effective (completed) as of: Measures were in place pre-crisis under the OSFI Act. **Short description of the content of the legislation/ regulation/guideline:** Please refer to Section I, Item 1 **Web-links to relevant documents:**	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**
New		Enhance the effectiveness of core supervisory colleges. (FSB 2012)	Jurisdictions should describe any regulatory, supervisory or legislative changes that will contribute to the sharing of supervisory information within core colleges (e.g. bilateral or multilateral MoUs).		

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
12 (16)	Strengthening resources and effective supervision	We agreed that supervisors should have strong and unambiguous mandates, sufficient independence to act, appropriate resources, and a full suite of tools and powers to proactively identify and address risks, including regular stress testing and early intervention. (Seoul)	Jurisdictions should provide any feedback received from recent FSAPs/ROSC assessments on the *October 2006* BCPs 1 and 23 or, if more recent, the *September 2012* BCPs 1, 9 and 11. Jurisdictions should also indicate any steps taken since the last assessment in this area, particularly in response to relevant FSAP/ROSC recommendations.	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☒ Primary / Secondary legislation ☒ Regulation /Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☒ Reform effective (completed) as of: Measures were in place pre-crisis under the OSFI Act. **Short description of the content of the legislation/ regulation/guideline:** OSFI's mandate is defined in its governing statute. The *OSFI Act*, along with the legislation governing federally regulated financial institutions, provides OSFI with significant levels of independence to act, as well as a full range of tools and powers to conduct early intervention as needed. **Web-links to relevant documents:** OSFI Act: http://laws-lois.justice.gc.ca/PDF/O-2.7.pdf Guide to Intervention: http://www.osfi-bsif.gc.ca/app/DocRepository/1/eng/practices/supervisory/Guide_Int_e.pdf	**Planned actions (if any):** As part of OSFI's plans and priorities for 2013-2016, OSFI plans to increase resources in the area of operational risk so as to do more reviews of FRFIs (e.g. reviews of: technology risk with a focus on cyber security; quality of data systems; and overall management of operational risk). **Expected commencement date:** **Web-links to relevant documents:** OSFI Plans and Priorities 2013-2016: http://www.osfi-bsif.gc.ca/app/DocRepository/1/eng/reports/osfi/PP_2013_2016_e.pdf
(17)		Supervisors should see that they have the requisite resources and expertise to oversee the risks associated with financial innovation and to ensure that firms they supervise have the capacity to understand and manage the risks. (FSF 2008)			
New		Supervisory authorities should continually re-assess their resource needs; for example, interacting with and assessing Boards require particular skills, experience and adequate level of seniority. (Rec. 3, FSB 2012)	Jurisdictions should describe the outcomes of the most recent assessment of resource needs (e.g. net increase in supervisors, skills acquired and sought). Please indicate when this assessment was most recently conducted and when the next assessment is expected to be conducted.		

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
V.	**Building and implementing macroprudential frameworks and tools**				
13 (18) (19)	Establishing regulatory framework for macro-prudential oversight	Amend our regulatory systems to ensure authorities are able to identify and take account of macro-prudential risks across the financial system including in the case of regulated banks, shadow banks[3] and private pools of capital to limit the build up of systemic risk. (London) Ensure that national regulators possess the powers for gathering relevant information on all material financial institutions, markets and instruments in order to assess the potential for failure or severe stress to contribute to systemic risk. This will be done in close coordination at international level in order to achieve as much consistency as possible across jurisdictions. (London)	Please describe the systems, methodologies and processes that have been put in place to identify macroprudential risks, including the analysis of risk transmission channels. Please indicate whether an assessment has been conducted with respect to the powers to collect and share relevant information among different authorities – where this applies – on financial institutions, markets and instruments to assess the potential for systemic risk. Please indicate whether the assessment has indicated any gaps in the powers to collect information, and whether any follow-up actions have been taken.	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☒ Regulation /Guidelines ☒ Other actions (such as supervisory actions), please specify: Please see below **Status of progress :** ☒ Reform effective (completed) as of: Measures were in place pre-crisis under the OSFI Act and the CDIC Act. Economic Action Plan 2012 **Short description of the content of the legislation/ regulation/guideline:** Canada has a comprehensive regulatory and supervisory framework that effectively addresses macro prudential concerns and systemic risk oversight including (when necessary) by adopting regulatory policies that go beyond international minimum standards. This framework, which is underpinned by legislation, allows for coordinated sharing	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

[3] The recommendation as applicable to shadow banks will be retained until the monitoring framework for shadow banking, which is one of the designated priority areas under the CFIM, is established.

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				of information and discussions related to oversight of regulated financial institutions, and the assessment and mitigation of systemic risks. The Financial Institutions Supervisory Committee (FISC), established in 1987, is mandated in the *OSFI Act* to facilitate consultation and the exchange of information on matters relating to the supervision of financial institutions between OSFI, CDIC, the BoC, Financial Consumer Agency of Canada (FCAC), and the Department of Finance (Canada). The FISC meets regularly and has the obligation to share information regarding the condition of financial institutions under the umbrella of legislated protection of confidentiality. FISC provides the Superintendent of Financial Institutions with the benefit of the views of the other federal agencies when making supervisory decisions or dealing with problem institutions. Financial sector trends and risks are a standing item for discussion at FISC. SAC is a policy committee chaired by Finance Canada with participation from the same regulatory agencies. SAC acts as a discussion forum for financial sector policy issues, including financial stability. The Committee allows for an exchange of views among financial sector agencies on specific issues and risks in	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				order to inform the advice provided to the Minister of Finance on legislative, regulatory, and policy issues affecting the financial sector. SAC regularly discusses systemic vulnerabilities. These discussions promote a high level of inter-agency cooperation in the area of macro-prudential supervision and related actions. This framework also facilitates the participation of other agencies that are critical to monitoring systemic risk, such as the Canada Mortgage and Housing Corporation. **HoA:** Please refer to Section I, Item 1 The Canada Deposit Insurance Corporation (CDIC) Board of Directors has eleven members including senior officials from the BoC, Finance Canada, OSFI, and FCAC as ex-officio members, and five others drawn from the Canadian private sector, including the Chair. The CDIC Board discusses issues related to the management of the Corporation which includes issues related to financial stability such as the resolution of troubled CDIC member institutions. The Economic Action Plan 2012 included provisions that allow the Department of Finance to have greater access to CMHC data (the Economic Action Plan 2012 also placed responsibility of prudential	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				supervision of CMHC with OSFI). This will allow for more timely and detailed information on developments in the insured mortgage market. **Web-links to relevant documents:** OSFI Act: http://laws-lois.justice.gc.ca/PDF/O-2.7.pdf	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
14 (20)	Enhancing system-wide monitoring and the use of macro-prudential instruments	Authorities should use quantitative indicators and/or constraints on leverage and margins as macro-prudential tools for supervisory purposes. Authorities should use quantitative indicators of leverage as guides for policy, both at the institution-specific and at the macro-prudential (system-wide) level…(Rec. 3.1, FSF 2009) We are developing macro-prudential policy frameworks and tools to limit the build-up of risks in the financial sector, building on the ongoing work of the FSB-BIS-IMF on this subject. (Cannes)	Please describe major changes in the institutional arrangements for macroprudential policy that have taken place in the past two years, including changes in: i) mandates and objectives; ii) powers and instruments; iii) transparency and accountability arrangements; iv) composition and independence of the decision-making body; and v) mechanisms for domestic policy coordination and consistency. Please indicate the use of macroprudential tools in the past two years, including the objective for their use and the process used to select, calibrate, and apply them. See, for reference, the CGFS document on *Operationalising the selection and application of macroprudential instruments (Dec 2012)*.	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☒ Regulation /Guidelines ☒ Other actions (such as supervisory actions), please specify: Please see below **Status of progress :** ☒ Reform effective (completed) as of: Mortgage Underwriting Practices and Procedures (June 2012); Economic Action Plan (2013) **Short description of the content of the legislation/ regulation/guideline:** Arrangements have been put in place for the use of the Basel III Counter Cyclical Capital Buffer, if required. OSFI will look to the BCBS process for implementation of other leverage constraints and/or other tools. Since 2008, the Government has made several changes to rules affecting government-backed insured mortgages. In June 2012, the Government announced four measures to further tighten the mortgage insurance parameters: reducing	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**
(21)		Authorities should monitor substantial changes in asset prices and their implications for the macro economy and the financial system. (Washington)	Jurisdictions can also refer to the FSB-IMF-BIS progress report to the G20 on *Macroprudential policy tools and frameworks (Oct 2011)*, and the IMF paper on *Macroprudential policy, an organizing framework (Mar 2011).*		

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				the maximum amortization period to 25 years from 30 years, lowering the maximum amount Canadians can borrow when refinancing to 80 per cent from 85 per cent of the value of their homes, fixing the maximum gross debt service ratio at 39 per cent and the maximum total debt service ratio at 44 per cent and limiting the availability of government-backed insured mortgages to only homes with a purchase price of less than $1 million. The recent measures build on similar measures taken in 2008, 2010 and 2011. These changes are intended to support the long-term stability of the housing market in Canada. The Government is taking further steps to reinforce the housing finance framework. Economic Action Plan 2013 announced that the Government will implement new measures to increase market discipline in residential lending and to reduce taxpayer exposure to the housing sector. Changes will include gradually limiting the insurance of low-ratio mortgages to only those mortgages that will be used in Canada Mortgage and Housing Corporation (CMHC) securitization programs. In addition, the Government intends to prohibit the use of any taxpayer-backed insured mortgage as collateral in securitization vehicles that	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				are not sponsored by CMHC. In addition, in June 2012 OSFI published guidelines (B-20) for residential mortgage underwriting practices and procedures. These guidelines are applicable to all federally-regulated financial institutions engaged in residential mortgage underwriting and/or the acquisition of residential mortgage loan assets in Canada. **Web-links to relevant documents:** http://www.fin.gc.ca/n12/12-070-eng.asp http://www.osfi-bsif.gc.ca/app/DocRepository/1/eng/guidelines/sound/guidelines/b20_e.pdf	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
15 (22)	Improved cooperation between supervisors and central banks	Supervisors and central banks should improve cooperation and the exchange of information including in the assessment of financial stability risks. The exchange of information should be rapid during periods of market strain. (Rec. V.8 , FSF 2008)	Jurisdictions can make reference to the following BCBS documents: • *Report and recommendations of the Cross-border Bank Resolution Group (Mar 2010)* • *Good Practice Principles on Supervisory Colleges (Oct 2010)* *(Principles 2, 3 and 4 in particular)*	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☒ Regulation /Guidelines ☒ Other actions (such as supervisory actions), please specify: Please see below **Status of progress :** ☒ Reform effective (completed) as of: Measures were in place pre-crisis under the OSFI Act and the CDIC Act. Economic Action Plan 2012 **Short description of the content of the legislation/ regulation/guideline:** Please refer to Section V, Item 13 **Web-links to relevant documents:**	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
VI.	**Improving oversight of credit rating agencies (CRAs)**				
16 (23)   (24)

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				information with other regulators. As mentioned earlier (please refer to Section II, Item 2), the AMF, BCSC, ASC and the OSC have entered into MoUs with various international bodies. The OSC is currently developing a compliance program based on the requirements set out in NI 25-101, which should be in place in the summer of 2013. One of the objectives of the compliance program is to determine, through the review process, whether CRAs are complying with the requirements imposed in NI 25-101. The compliance program will focus on areas of operations of CRAs that are considered to be material for investor protection and efficient capital markets. The compliance program will also address the requirements of the three sections of the IOSCO CRA Code, namely, the Quality and Integrity of the Rating Process, CRA Independence and the Avoidance of Conflicts of Interest and CRA Responsibilities to the Investing Public and Issuers. **Web-links to relevant documents:** http://www.lautorite.qc.ca/files//pdf/reglementation/valeurs-mobilieres/25-101/2012-01-27/2012jan27-25-101-final-acvm-en.pdf	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
17 (26)	Reducing the reliance on ratings	We also endorsed the FSB's principles on reducing reliance on external credit ratings. Standard setters, market participants, supervisors and central banks should not rely mechanistically on external credit ratings. (Seoul) Authorities should check that the roles that they have assigned to ratings in regulations and supervisory rules are consistent with the objectives of having investors make independent judgment of risks and perform their own due diligence, and that they do not induce uncritical reliance on credit ratings as a substitute for that independent evaluation. (Rec IV. 8, FSF 2008) We reaffirm our commitment to reduce authorities' and financial institutions' reliance on external credit ratings, and call on standard setters, market participants, supervisors and central banks to implement the agreed FSB principles and end practices that rely mechanistically on these ratings. (Cannes)	No information on this recommendation will be collected in the current IMN survey since a thematic peer review is taking place in this area during 2013.		

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
VII. Enhancing and aligning accounting standards					
18 (27)	Consistent application of high-quality accounting standards	Regulators, supervisors, and accounting standard setters, as appropriate, should work with each other and the private sector on an ongoing basis to ensure consistent application and enforcement of high-quality accounting standards. (Washington)	Jurisdictions should indicate the accounting standards that they follow and whether (and on what basis) they are deemed to be equivalent to IFRSs as published by the IASB. They should also explain the system they have for enforcement of consistent application of those standards.	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☒ Regulation /Guidelines ☒ Other actions (such as supervisory actions), please specify: Please see below **Status of progress :** ☒ Reform effective (completed) as of: January, 2011 **Short description of the content of the legislation/ regulation/guideline:** Canada has adopted IFRS for all financial institutions and other publicly accountable enterprises for fiscal years beginning on or after January 1, 2011 except for Investment Funds and entities that have activities subject to rate regulation. Investment funds in Canada are required to adopt IFRS for fiscal years beginning on or after January 1, 2014. Entities that have activities subject to rate regulation will adopt IFRS starting on January 1, 2015. The AMF and the OSC participate on IOSCO's Committee 1 (C1), which deals with multinational disclosure and accounting. In parallel,	**Planned actions (if any):** Ongoing work to support implementation of IFRSs, including new and amended standards as and when issued. **Expected commencement date:** Current/ ongoing **Web-links to relevant documents:** http://www.frascanada.ca/international-financial-reporting-standards/index.aspx

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Canada contributes to the international debates around audit quality notably via a common initiative Canadian Public Accountability Board (CPAB) and Canadian Institute of Chartered Accountants (CICA). **Corporate Finance and Investment Funds Continuous Disclosure (CD) Review Program** Members of the CSA conduct coordinated reviews on both a regular and an ad-hoc basis. Members of the CSA have established a national review program to review continuous disclosure (CD) filings. The program is designed to identify material disclosure deficiencies that affect the reliability and accuracy of a reporting issuer's disclosure record, and has two fundamental objectives: education and compliance. **Web-links to relevant documents:** http://www.frascanada.ca/international-financial-reporting-standards/index.aspx http://www.osc.gov.on.ca/documents/en/Securities-Category5/rule_20111031_51-102_unofficial-consolidation-post-ifrs.pdf http://www.osfi-bsif.gc.ca/app/DocRepository/1/eng/guidelines/accounting/advisories/IFRS_e.pdf	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
19 (28) (29)	Appropriate application of Fair Value Accounting	Accounting standard setters and prudential supervisors should examine the use of valuation reserves or adjustments for fair valued financial instruments when data or modelling needed to support their valuation is weak. (Rec. 3.4, FSF 2009) Accounting standard setters and prudential supervisors should examine possible changes to relevant standards to dampen adverse dynamics potentially associated with fair value accounting. Possible ways to reduce this potential impact include the following: (1) Enhancing the accounting model so that the use of fair value accounting is carefully examined for financial instruments of credit intermediaries; (ii) Transfers between financial asset categories; (iii) Simplifying hedge accounting requirements. (Rec 3.5, FSF 2009)	Jurisdictions should indicate the policy measures taken for appropriate application of fair value accounting. See, for reference, the following BCBS documents: • *Basel 2.5 standards on prudent valuation (Jul 2009)* • *Supervisory guidance for assessing banks' financial instrument fair value practices (Apr 2009)*	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☒ Regulation /Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☒ Reform effective (completed) as of: January 2011 (adoption of IFRSs as issued by the IASB, as amended from time to time) **Short description of the content of the legislation/ regulation/guideline:** Please refer to Section VII, Item 18 of the survey. IFRS 13 "Fair Value Measurement" was issued in 2011 and became effective on January 1, 2013 (comparative periods not restated). The standard has been adopted in Canada. For federally regulated financial institutions, OSFI continues to require compliance with Guideline D-10 Accounting for Financial Instruments Designated as Fair Value Option. **Web-links to relevant documents:** See Section VII, Item 18 of the survey.	**Planned actions (if any):** The IASB and the FASB are currently working on new standards for financial instruments classification and measurement and general and macro hedge accounting, with the objective of improving transparency in capital markets, thereby reducing information asymmetry and reducing complexity. The IASB general hedging accounting standard is targeted for the remainder of 2013. Work to apply IFRS 13 *Fair Value Measurement* is well advanced. Development by the IASB of revised IFRS 9 financial instrument hedging and classification & measurement standards is underway, with input from Canadian stakeholders. **Expected commencement date:** Current/ ongoing **Web-links to relevant documents:** See Section VII, Item 18 of the survey. and also http://www.ifrs.org/Pages/default.aspx

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Guideline D-10: http://www.osfi-bsif.gc.ca/app/DocRepository/1/eng/guidelines/accounting/guidelines/general/d10_ifrs_e.pdf	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
VIII. Enhancing risk management					
20 (31)	Enhancing guidance to strengthen banks' risk management practices, including on liquidity and foreign currency funding risks	Regulators should develop enhanced guidance to strengthen banks' risk management practices, in line with international best practices, and should encourage financial firms to re-examine their internal controls and implement strengthened policies for sound risk management. (Washington)	Jurisdictions should indicate the policy measures taken to enhance guidance to strengthen banks' risk management practices. See, for reference, the Joint Forum's *Principles for the supervision of financial conglomerates (Sep 2012)* and the following BCBS documents: • *Principles for effective risk data aggregation and risk reporting (Jan 2013)* • *The Liquidity Coverage Ratio (LCR) (Jan 2013)* • *Principles for the sound management of operational risk (Jun 2011)* • *Principles for sound stress testing practices and supervision (May 2009)* Jurisdictions may also refer to FSB's February 2013 *thematic peer review report on risk governance*.	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☒ Regulation /Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☒ Reform effective (completed) as of: Liquidity (February 2012); Stress Testing Guidelines (2009) **Short description of the content of the legislation/ regulation/guideline:** OSFI has a quantitative liquidity metrics Net Cumulative Cash Flow (NCCF) it uses to monitor liquidity risk at FIs. OSFI revised its own liquidity risk management guidance / principles (B-6). Following directed consultations, final Guidance was released in 2011. OSFI released final guidelines on stress testing for banks and insurance companies in December 2009. In June 2013, OSFI published an	**Planned actions (if any):** Regulated institutions are conducting self-assessments against liquidity principles and operational risk principles. OSFI's planned actions include on-going monitoring and additional targeted assessments against these principles. **Expected commencement date:** **Web-links to relevant documents:**
(33)		National supervisors should closely check banks' implementation of the updated guidance on the management and supervision of liquidity as part of their regular supervision. If banks' implementation of the guidance is inadequate, supervisors will take more prescriptive action to improve practices. (Rec. II.10, FSF 2008)			
(34)		Regulators and supervisors in emerging markets[4] will enhance their supervision of banks' operation in foreign currency funding markets. (FSB 2009)			
(35)		We commit to conduct robust, transparent stress tests as needed. (Pittsburgh)			

[4] Only the emerging market jurisdictions may respond to this recommendation.

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Advisory on Settlement Risk in Foreign Exchange Transactions, which establishes expectations with respect to the management of foreign exchange settlement risk by banks, bank holding companies and trust and loan companies. **Web-links to relevant documents:** Guideline B-6 Liquidity Principles http://www.osfi-bsif.gc.ca/app/DocRepository/1/eng/guidelines/prudential/guidelines/b6_e.pdf Guideline E-18 Stress Testing http://www.osfi-bsif.gc.ca/app/DocRepository/1/eng/guidelines/sound/guidelines/e18_e.pdf Advisory – Foreign Exchange Settlement Risk http://www.osfi-bsif.gc.ca/app/DocRepository/1/eng/guidelines/capital/advisories/FXSR_e.pdf	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
21 (36)	Efforts to deal with impaired assets and raise additional capital	Our efforts to deal with impaired assets and to encourage the raising of additional capital must continue, where needed. (Pittsburgh)	Jurisdictions should indicate steps taken to reduce impaired assets and encourage additional capital raising. For example, jurisdictions could include here the amount of new equity raised by banks operating in their jurisdictions during 2012.	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☒ Regulation /Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☒ Reform effective (completed) as of: Guideline on impairment (July 2012); Guideline on Collective Allowances (July 2010) **Short description of the content of the legislation/ regulation/guideline:** OSFI, via the BCBS Accounting Task Force (ATF) continues to actively dialogue with standard setters and banks to encourage the development of a more robust accounting standard for loan loss provisioning based on expected losses. OSFI requires compliance with guidance on collective allowances and valuation practices (see links provided below). **Web-links to relevant documents:** OSFI Guideline C-1 Impairment - Sound Credit Risk Assessment and Valuation of Financial Instruments at Amortized Cost	**Planned actions (if any):** OSFI, via the BCBS ATF, continues to closely monitor the IASB-FASB discussions on the expected loss model to ensure that more robust provisioning and earlier recognition of losses is achieved in the revised accounting standard and that the IASB and FASB work together towards a converged solution. The IASB and FASB have separately issued exposure drafts on this topic and will convene joint discussions through 2013. OSFI is actively engaged in the BCBS process to comment on the IASB exposure draft on expected loan loss provisioning. **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				http://www.osfi-bsif.gc.ca/app/DocRepository/1/eng/guidelines/accounting/guidelines/loans/c1_ifrs_e.pdf OSFI Guideline C-5 Collective Allowances - Sound Credit Risk Assessment and Valuation Practices for Financial Instruments at Amortized Cost http://www.osfi-bsif.gc.ca/app/DocRepository/1/eng/guidelines/accounting/guidelines/loans/c5_ifrs_e.pdf	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
22 (37)	Enhanced risk disclosures by financial institutions	Financial institutions should provide enhanced risk disclosures in their reporting and disclose all losses on an ongoing basis, consistent with international best practice, as appropriate. (Washington)	Jurisdictions should indicate the status of implementation of the disclosures requirements of IFRSs (in particular IFRS7 and 13) or equivalent. Jurisdictions may also use as reference the recommendations of the October 2012 report by the Enhanced Disclosure Task Force on *Enhancing the Risk Disclosures of Banks*.	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☒ Regulation /Guidelines ☒ Other actions (such as supervisory actions), please specify: Please see below **Status of progress :** ☒ Reform effective (completed) as of: BCBS Disclosure requirements (July 2009); Basel II- Market Risk Requirements (July 2011); Guideline B-20 - Residential Mortgage Underwriting Guideline Practices and Procedures (June 2012); Basel III capital disclosures (October 2012) **Short description of the content of the legislation/ regulation/guideline:** OSFI issued a letter in July 2009 to all FRFIs directing immediate adoption of fair valuation practices and disclosure issued by BCBS. OSFI actively participated in the FSB peer review on risk disclosures and roundtable on risk disclosures. In July 2011, OSFI issued a letter requiring deposit taking institutions to adopt the Enhancements to the Basel II	**Planned actions (if any):** Comments on the February 2013 Draft Advisory in respect of Basel III disclosures were due April 30, 2013. Based on comments received, appropriate changes will be made and final guidance will be issued in May/June 2013. **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Framework and Revisions to the Basel II Market Risk Framework by Q1, 2012. In December 2011 OSFI issued a letter requiring deposit taking institutions to adopt the BCBS Disclosure of Remuneration requirements starting in 2013 On June 21, 2012, OSFI issued draft Guideline B-20 - Residential Mortgage Underwriting Guideline Practices and Procedures, which includes new disclosures related to mortgage loan transactions. In October 2012, OSFI issued a letter requiring deposit taking institutions to disclose key Basel III capital disclosures during the interim period. In February 2013, OSFI issued a draft advisory describing required Basel III capital disclosures in the post interim period. OSFI performed a targeted review of liquidity risk disclosures made by the large Canadian banks and recommended identified best practices. This review incorporated some of FSB`s disclosure recommendations, investor recommendations and areas of emerging risk. OSFI has also outlined, among other requirements, more stringent public disclosure obligations that explicitly referenced the recommendations of the Enhanced Disclosure Task Force (EDTF).	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				The D-SIB framework notes that Canadian D-SIBs are expected to have public information disclosure practices that are among the best of their international peers. In July 2013, OSFI published an Advisory, building on OSFI's November 2007 Advisory on "Pillar 3 Disclosure Requirements", providing clarification on the implementation of the BCBS Disclosure Rules for all institutions subject to Pillar 3 Disclosure Requirements. **Web-links to relevant documents:** http://www.osfi-bsif.gc.ca/osfi/index_e.aspx?ArticleID=5588	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
IX.	**Strengthening deposit insurance**				
23 (38)	Strengthening of national deposit insurance arrangements	National deposit insurance arrangements should be reviewed against the agreed international principles, and authorities should strengthen arrangements where needed. (Rec. VI.9, FSF 2008)	Jurisdictions should describe any revisions made to national deposit insurance system, including steps taken to address the recommendations of the FSB's February 2012 *thematic peer review report on deposit insurance systems.*	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☒ Primary / Secondary legislation ☒ Regulation /Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☒ Reform effective (completed) as of: Measures were in place pre-crisis under the CDIC Act. **Short description of the content of the legislation/ regulation/guideline:** To enhance its resolution process for large and complex institutions, Canada Deposit Insurance Corporation (CDIC) created a Divisions of Complex Resolutions. The Complex Resolutions Division is responsible for developing and maintaining resolution plans for Canada's largest banks. In order to hasten its payout process and facilitate a rapid bridge-bank resolution, CDIC has also been working with its member institutions to implement its Data and System Requirements Bylaw. Implementation of the bylaw was	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				completed on June 30th, 2013. CDIC also developed a legislative and policy framework whereby it may, under certain conditions, share institution-specific information with resolution authorities or deposit insurers in other jurisdictions in matters related to the resolution of a CDIC member institution. **Web-links to relevant documents:**	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
X.	**Safeguarding the integrity and efficiency of financial markets**				
24 (39)	Enhancing market integrity and efficiency	We must ensure that markets serve efficient allocation of investments and savings in our economies and do not pose risks to financial stability. To this end, we commit to implement initial recommendations by IOSCO on market integrity and efficiency, including measures to address the risks posed by high frequency trading and dark liquidity, and call for further work by mid-2012. (Cannes)	Jurisdictions should indicate the progress made in implementing the following IOSCO reports: • *Report on Regulatory Issues Raised by the Impact of Technological Changes on Market Integrity and Efficiency (Oct 2011)*; and • *Report on Principles for Dark Liquidity (May 2011)*.	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☒ Primary / Secondary legislation ☒ Regulation /Guidelines ☐ Other actions (such as supervisory actions), please specify: Please see below **Status of progress :** ☒ Reform effective (completed) as of: 2012 and ongoing **Short description of the content of the legislation/ regulation/guideline:** The AMF and the OSC have representatives on IOSCO's Committee 2, which prepared reports on regulatory issues raised by changes in market structure by the impact of IT on market integrity and efficiency, and IT challenges to effective market surveillance issues. With the structure of the market surveillance activities, the functions performed by either the IIROC (equity), the Bourse de Montréal (Bourse) (financial derivatives) and ICE Futures Canada (ICE) -(commodity derivatives), and of the current initiatives, Canada	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				complies with the majority of the recommendations and is well-positioned to comply with the remaining ones soon. The legislation and rules in place ensure the effectiveness of the market surveillance by market authorities. Customer identification is currently missing on the information provided electronically to the CSA but can be obtained on an upon request basis. A mandate to address that issue, by the end of June 2014, is in place. Format of the information is not an issue. There is no cross-assets surveillance, but front-line surveillances activities are clearly defined between IIROC, the Bourse and ICE. IIROC and the Bourse share information under a MOU with respect to market surveillance. Data information is encrypted and access controls to the surveillance tools are in place. Under National Instrument 21-101, synchronization of clocks is required by the marketplaces, by the dealers trading on marketplaces and by the information processor which receives data. The regulators are relying on the IOSCO multilateral MOU for cross-border enforcement activities. IIROC and the exchanges are relying on the Inter-market Surveillance Group agreement for cross-border enforcement. In addition,	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				regulators have MOUs in place with the SEC, UK FSA and ASIC and three others are being developed. On May 15, 2013, the AMF led the publication of Request for Information (RFI) seeking information from potential suppliers of components for a Market Analysis Platform (MAP) or a Market Analysis Platform in its entirety with a potential Canadian Securities Administrators scope. Dark Liquidity: The framework with respect to dark liquidity for equity trading was revised in 2012 and has been implemented through amendments NI 21-101 and to the Universal Market Integrity Rules (UMIR) administered by IIROC. The framework continues to allow dark liquidity trading, but manages its impact on price discovery, fairness and market efficiency. • Dark orders can execute at the NBBO in circumstances where the contra-side was entered at a size level that exceeds a threshold, and meaningful price improvement is required otherwise; • On a marketplace, visible orders must be executed before dark orders at the same price; • Meaningful price improvement is defined in UMIR (usually one trading increment or one cent).	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Electronic Trading Requirements The CSA and IIROC have developed rules, National Instrument 23-103 Electronic Trading (NI 23-103), that require dealers and exchanges to manage the risks of electronic trading, including the use of algorithms. NI 23-103 sets out requirements with respect to controls, policies and procedures that are applicable to marketplace participants and marketplaces. IIROC also introduced supervision and gatekeeper obligations for its dealer members. On July 4, 2013, the CSA made amendments to NI 23-103 to impose requirements on participant dealers that provide direct electronic access. IIROC also adopted amendments to UMIR and its Dealer Member Rules in that respect on the same date. The new requirements will come into force on March 1, 2014. The CSA are conducting a trading risk review that is intended to identify any gap in the regulatory requirements. IIROC is currently in the third phase of a study regarding the impact of HFT on the integrity and quality of Canadian markets which could lead to further regulatory action. **Web-links to relevant documents:**	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				http://www.iosco.org/library/pubdocs/pdf/IOSCOPD353.pdf http://www.lautorite.qc.ca/en/press-releases-2012-conso.html_2012_csa-and-iiroc-announce-the-implementation-of-a-dark-liquidity-framework-in-canada13-04-2012-12-0.html http://www.lautorite.qc.ca/files//pdf/reglementation/valeurs-mobilieres/21-101/2012-12-31/2012dec31-21-101-vofficielle-en.pdf http://www.lautorite.qc.ca/files//pdf/reglementation/valeurs-mobilieres/23-103/2013-07-04/2013juil04-23-103-avis-publ-en.pdf	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
25 (40)	Enhanced market transparency in commodity markets	We need to ensure enhanced market transparency, both on cash and financial commodity markets, including OTC, and achieve appropriate regulation and supervision of participants in these markets. Market regulators and authorities should be granted effective intervention powers to address disorderly markets and prevent market abuses. In particular, market regulators should have, and use formal position management powers, including the power to set ex-ante position limits, particularly in the delivery month where appropriate, among other powers of intervention. We call on IOSCO to report on the implementation of its recommendations by the end of 2012. (Cannes)	Jurisdictions should indicate the policy measures taken to enhance market transparency in commodity markets. See, for reference, IOSCO's report on *Principles for the Regulation and Supervision of Commodity Derivatives Markets (Sep 2011)*. Jurisdictions, in responding to this recommendation, may also make use of the responses contained in the *report* published by the IOSCO's Committee on Commodity Futures Markets based on a survey conducted amongst its members in April 2012 on regulation in commodity derivatives market.	Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** The IOSCO Task Force defers to the ongoing efforts by the Financial Stability Board to measure international progress on implementation of the G20 OTC derivatives recommendations **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation /Guidelines ☒ Other actions (such as supervisory actions), please specify: Please see below **Status of progress :** **Short description of the content of the legislation/ regulation/guideline:** Canada is participating in the IOSCO Task Force on Commodity Futures Markets (TFCFM), which was recently renamed: Committee 7 on Commodity Futures Markets (C7). On September 15, 2011, IOSCO published a report by its Task Force on Commodity Futures Markets (TFCFM) on "Principles for the Regulation and Supervision of Commodity Derivatives Markets." The report addresses the request by the G20 Leader's in November	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				2010 that IOSCO should perform "further work on regulation and supervision of commodity derivatives markets". In October 2012, IOSCO published the final report "Survey on Implementation of the Principles for the Regulation and Supervision of Commodity Derivatives Markets", which reviews how market authorities comply with IOSCO's recommendations on commodity derivatives markets. Note that the AMF/OSC/ASC/MSC already had provisions in place in respect of transparency. Results of the survey indicate that the majority of respondents were broadly compliant with the IOSCO Principles on the Regulation and Supervision of Commodity Derivatives Markets, which were published in October 2011 and endorsed by the G20 a month later at its summit in Cannes. Also at Cannes, the G20 Leaders called on IOSCO to report on the implementation of its Principles by the end of 2012. **Web-links to relevant documents:** http://www.iosco.org/library/pubdocs/pdf/IOSCOPD393.pdf	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
26 New	Legal Entity Identifier	We support the creation of a global legal entity identified (LEI) which uniquely identifies parties to financial transactions. (Cannes) We encourage global adoption of the LEI to support authorities and market participants in identifying and managing financial risks. (Los Cabos)	Jurisdictions should indicate whether they have joined Regulatory Oversight Committee (ROC) and whether they intend setting up Local Operating Unit (LOU) in their jurisdiction.	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☒ Regulation /Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☒ Draft published as of: June 6, 2013 **Short description of the content of the legislation/ regulation/guideline:** In June 2011, the CSA Derivatives Committee published Consultation Paper 91-402 on Trade Repositories, in which the committee recommends that "Each derivative market participant should be assigned a unique legal entity identifier based on universal internationally accepted standards." In December 2012, the CSA Derivatives Committee published Consultation Paper 91-301 – Model Provincial Rule "Trade Repositories and Derivatives Data Reporting". In June 2013, the *Autorité des marchés financiers* published local draft regulation "Regulation 91-507 respecting trade repositories and derivatives data reporting" for comment (as did the	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Ontario Securities Commission and the Manitoba Securities Commission), which recommends the following: 30 (1) A recognized trade repository must identify each counterparty to a transaction that is subject to the reporting obligation under this Rule in all recordkeeping and all reporting required under this Rule by means of a single legal entity identifier. (2) Each of the following rules apply to legal entity identifiers: a. a legal entity identifier must be a unique identification code assigned to a counterparty in accordance with the standards set by the Global Legal Entity Identifier System; b. each local counterparty must comply with all applicable requirements imposed by the Global Legal Entity Identifier System. (3) Despite subsection (2), if the Global Legal Entity Identifier System is unavailable to a counterparty at the time when a reporting obligation under this Regulation arises, all of the following rules apply: a. each counterparty must obtain a substitute legal entity identifier which complies with the standards established March 8, 2013 by the LEI Regulatory	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Oversight Committee for pre-legal entity identifiers; b. a local counterparty must use the substitute legal entity identifier until a legal entity identifier is assigned to the counterparty in accordance with the standards set by the Global Legal Entity Identifier System as required under paragraph (2)(a), and; c. after the holder of a substitute legal entity identifier is assigned a legal entity identifier in accordance with the standards set by the Global Legal Entity Identifier System as required under paragraph (2)(a), the local counterparty must ensure that it is identified only by the assigned identifier in all derivatives data reported pursuant to this Regulation in respect of transactions to which it is a counterparty. The Ontario Securities Commission and the British Columbia Securities Commission also joined the ROC as member and observer, respectively. **Web-links to relevant documents:** http://www.lautorite.qc.ca/files//pdf/consultations/derives/2012dec06-91-301-consultation-modelrule-en.pdf	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
XI.	**Enhancing financial consumer protection**				
27 (41)	Enhancing financial consumer protection	We agree that integration of financial consumer protection policies into regulatory and supervisory frameworks contributes to strengthening financial stability, endorse the FSB report on consumer finance protection and the high level principles on financial consumer protection prepared by the OECD together with the FSB. We will pursue the full application of these principles in our jurisdictions. (Cannes)	Jurisdictions should describe progress toward implementation of the OECD's *G20 high-level principles on financial consumer protection (Oct 2011)*.	Implementation ongoing or completed ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation /Guidelines ☒ Other actions (such as supervisory actions), please specify: Please see comments below and information in Next Steps column **Status of progress :** ☒ Reform effective (completed) as of: Prior to the financial crisis. Continual measures to further strengthen the financial consumer protection framework provided in the link below. **Short description of the content of the legislation/ regulation/guideline:** Key Initiatives: • Financial literacy; The Government passed Bill C-28 in March 2013 to create the legislative framework to allow for the appointment of a Financial Literacy Leader, in line with the OECD's High Level Principles; • Increased disclosure framework; • Improved access to funds; and	**Planned actions (if any):** Canada's financial consumer protection framework is aligned with the high-level principles on financial consumer protection as they apply to our specific domestic circumstances. Canada continues to be a key contributor to further work undertaken by the OECD Task Force on Financial Consumer Protection Moreover, as recently announced in Economic Action Plan 2013, a Comprehensive Financial Consumer Code will serve to further strengthen Canada's financial consumer protection framework. **Expected commencement date:** The Comprehensive Consumer Code was announced March 21, 2013. **Web-links to relevant documents:** http://actionplan.gc.ca/en/initiative/comprehensive-financial-consumer-code

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				• Strengthened complaint handling mechanism; (additional initiatives and detail provided in link below). The Financial Consumer Agency of Canada (FCAC) is the Government of Canada's standalone agency that regulates Canadian financial institutions in this area. The Government of Canada has recently expanded the administrative money penalties power of the FCAC, which demonstrates the Government's ongoing commitment to strengthen its financial consumer protection framework. **Web-links to relevant documents:** http://www.fin.gc.ca/n13/data/13-046_1-eng.asp http://www.parl.gc.ca/Content/LOP/LegislativeSummaries/41/1/c28-e.pdf	

XII. Source of recommendations:

Los Cabos: The G20 Leaders Declaration (18-19 June 2012)
Cannes: The Cannes Summit Final Declaration (3-4 November 2011)
Seoul: The Seoul Summit Document (11-12 November 2010)
Toronto: The G20 Toronto Summit Declaration (26-27 June 2010)
Pittsburgh: Leaders' Statement at the Pittsburgh Summit (25 September 2009)
London: The London Summit Declaration on Strengthening the Financial System (2 April 2009)
Washington: The Washington Summit Action Plan to Implement Principles for Reform (15 November 2008)
FSF 2008: The FSF Report on Enhancing Market and Institutional Resilience (7 April 2008)
FSF 2009: The FSF Report on Addressing Procyclicality in the Financial System (2 April 2009)
FSB 2009: The FSB Report on Improving Financial Regulation (25 September 2009)
FSB 2012: The FSB Report on Increasing the Intensity and Effectiveness of SIFI Supervision (1 November 2012)

XIII. List of Abbreviations used:

OECD: Organization for Economic cooperation and Development
CIDC: Canada Deposit Insurance Corporation
IFRS: International Financial Reporting Standards
IASB: International Accounting Standards Board
AcSB: Canadian Accounting Standards Board
AMF: Autorité des marchés financiers
CDCC: Canadian Derivatives Clearing Corporation
CDIC: Canada Deposit Insurance Corporation
CSA: Canadian Securities Administrators
FASB: Financial Accounting Standards Board
FCAC: Financial Consumer Agency of Canada
FI: Financial Institution
FINTRAC: Financial Transactions and Reports Analysis Centre of Canada
FISC: Financial Institutions Supervisory Committee
FRFI: Federally Regulated Financial Institution
FSAP: Financial Sector Assessment Program
HOA: Heads of Agency
IASB: International Accounting Standards Board
ICAAP: Internal Capital Adequacy Process
IIAC: Investment Industry Association Canada
IIROC: Investment Industry Regulatory Organization of Canada
OSC: Ontario Securities Commission
OSFI: Office of the Superintendent of Financial Institutions
SAC: Senior Advisory Committee
SCRR: IOSCO Standing Committee on Risk and Research
SRC: CSA Systemic Risk Committee
TFUFE: IOSCO Task Force on Unregulated Financial Entities
PD: Probability of Default
IRB: Internal Ratings-Based
AVC: Asset Value Correlation
MoU: Memoranda of Understanding