

May 11, 2017

Mr. Mark Carney  
Chair of the Financial Stability Board  
Bank for International Settlements  
Centralbahnplatz 2 CH-4002 Basel  
Switzerland

Dear Mr. Carney:

**Re: CBA<sup>1</sup> comments on the FSB consultation document: *Proposed Framework for Post-Implementation Evaluation of the Effects of the G20 Financial Regulatory Reforms***

Thank you for the opportunity to comment on the Financial Stability Board's (FSB's) proposed framework for a post-implementation evaluation of the effects of the G20's core financial reforms. Our comments are primarily focused on the FSB's discussion question relating to the engagement of stakeholders. In this area, our members believe that thought could usefully be given to the following suggestions:

First, the FSB and standard setting bodies should actively engage the private sector earlier in the regulatory process. This would allow for candid discussions of the efficiency of certain proposed regulatory measures (i.e. whether these should actually be undertaken) as well as the usual operational questions such as how they might best be implemented.

Second, in line with the above, rather than relying on *ad hoc* consultations (to better understand the private sector's views concerning certain regulatory proposals), the FSB and standard setting bodies should also establish *formal* private sector consultative arrangements. These complementary arrangements might take the form of an annual meeting with senior private sector representatives, which could be used to regularly discuss the international regulatory outlook, key financial stability trends, and the impact (including compliance costs) and possible unintended consequences of recent regulatory changes. (The Financial Action Task Force's Private Sector Consultative Forum provides an example of such an arrangement.)

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<sup>1</sup> The Canadian Bankers Association works on behalf of 62 domestic banks, foreign bank subsidiaries and foreign bank branches operating in Canada and their 280,000 employees. The CBA advocates for effective public policies that contribute to a sound, successful banking system that benefits Canadians and Canada's economy. The Association also promotes financial literacy to help Canadians make informed financial decisions and works with banks and law enforcement to help protect customers against financial crime and promote fraud awareness. [www.cba.ca](http://www.cba.ca).

Third, to allow for more effective private sector input into the FSB and standard setting bodies' subsequent discussions, these bodies should publicly announce the schedules of their upcoming meetings and the issues that are to be discussed at these meetings. (For example, the FSB's current practice is to only publish a press release after its meetings have been concluded.)

And finally, as a complement to the proposed framework to evaluate the effectiveness of the G20's core financial reforms, the FSB (and, subsequently, the standard setting bodies) should give serious thought to establishing its own independent evaluation unit. In the case of the proposed evaluation framework, such a unit might usefully assess the effectiveness of the evaluation tools and the comprehensiveness of the data that are used to reach conclusions on the success of the G20 reform exercise.

We appreciate the opportunity to comment on this important evaluation exercise. Let me thank you in advance for your kind consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Daren Acand". The signature is fluid and cursive, with a long horizontal stroke at the end.