

# Federal financial institutions legislative and regulatory reporter – August 2021

10 septembre 2021

The Reporter provides a monthly summary of Canadian federal legislative and regulatory developments of relevance to federally regulated financial institutions. It does not cover purely technical and administrative changes (such as changes to reporting forms).

## August 2021

Institution	Published	Title and Brief Summary	Status
OSFI			
	August 13, 2021	<p><b>OSFI Issues Updated Requirements for Technology and Cyber Incident Reporting And New Cyber Self-Assessment</b></p> <p>The Office of the Superintendent of Financial Institutions (OSFI) released updated requirements governing how federally regulated financial institutions (FRFIs) should disclose and report technology and cyber security incidents to</p>	

		<p>OSFI.</p> <p>The updated <a href="#">Technology and Cyber Security Incident Reporting Advisory</a> supports a coordinated and integrated response to technology and cyber security incidents when they occur at FRFIs.</p> <p>Separately, OSFI also released an updated <a href="#">Cyber Security Self-Assessment</a> that helps FRFIs gauge and improve their current state of readiness in the face of emerging and expanding cyber threats.</p>	
	August 13, 2021	<p><b>Revisions to Public Disclosure Requirement Related to The Identification of Global Systemically Important Banks</b></p> <p>OSFI is releasing the final revisions to its Advisory: <i>“Global systemically important banks – Public disclosure requirements”</i> published in September 2015.</p> <p>In July 2018, the Basel Committee on Banking Supervision (BCBS) released an updated assessment methodology that is used annually by the BCBS and the Financial Stability</p>	

		<p>Board (FSB) to identify global systemically important banks (G-SIBs). The updated assessment methodology will take effect for the 2022 G-SIB assessment exercise.</p> <p>The revised Advisory addresses changes to the disclosure requirements included in the updated assessment methodology, specifically the new Trading Volume indicator and the inclusion of insurance activities for certain existing G-SIB indicators. The revised Advisory also provides additional guidance on the availability of publicly disclosed G-SIB indicators and the nature of qualitative information to accompany the disclosure requirements.</p> <p>Questions regarding the Advisory may be addressed to Lindsay Cheung, Senior Analyst, Capital Division, by email at <a href="mailto:lindsay.cheung@osfi-bsif.gc.ca">lindsay.cheung@osfi-bsif.gc.ca</a>.</p>	
	August 13, 2021	<p><b>Memoranda to the Appointed Actuary (Life Insurance and Property and Casualty Insurance)</b></p>	

		<p>OSFI's Memoranda to the Appointed Actuary (Life Insurance and Property and Casualty Insurance) 2021 has now been posted on OSFI's website.</p>	
	<p>August 12,, 2021</p>	<p><b>OSFI Adjusts Temporary Exclusions from Leverage Ratio Exposure Measures (Takes Effect at End of 2021).</b></p> <p>OSFI has confirmed that the exclusion of sovereign-issued securities from the leverage ratio exposure measure for deposit-taking institutions (DTIs), introduced at the outset of the COVID-19 pandemic, will not be extended past December 31, 2021. Central bank reserves will continue to be excluded from the leverage ratio exposure measure for DTIs.</p> <p>The decision to allow the temporary exclusion of sovereign-issued securities to expire is in line with previous OSFI decisions to discontinue other temporary relief measures introduced in response to COVID-19 when they are no longer credible, consistent, necessary and fit-for-purpose in</p>	

		<p>the Canadian context. OSFI will closely monitor conditions and remains ready to take any further action, including the unwinding of other temporary measures, as required.</p>	
	<p>August 5, 2021</p>	<p><b>Draft Pillar 3 Disclosure Guideline 2023 for SMSBs</b></p> <p>Continuing its initiative to develop tailored requirements that account for the unique nature of Canadian Small and Medium-sized banks (SMSBs), OSFI is issuing for Public Consultation the <i>Draft Pillar 3 Disclosure Guideline for SMSBs</i>.</p> <p>The Draft Guideline lists the disclosures required by SMSBs and their respective implementation dates. OSFI will include the detailed tables and templates in the final Guideline.</p> <p>Questions and comments should be addressed to Javinder Sidhu, Accounting Policy Division, at <a href="mailto:Javinder.Sidhu@osfi-bsif.gc.ca">Javinder.Sidhu@osfi-bsif.gc.ca</a> by September 29, 2021. A non-attributed summary of comments received, along with OSFI's responses, will be posted on OSFI's website when the final version of the guideline</p>	<p>Effective November 1, 2022. Questions and comments by September 29, 2021.</p>

		is released. Effective November 1, 2022. Questions and comments by September 29, 2021.	
IAIS			
	August 30, 2021	<p><b>IAIS Publishes Application Paper on Macroprudential Supervision</b></p> <p>Following public consultation that ended earlier this year, the <a href="#">Application Paper on Macroprudential Supervision</a> was adopted by the IAIS Executive Committee. The Application Paper provides further guidance on the supervisory material related to macroprudential supervision in Insurance Core Principle 24. The outcome of the public consultation can be accessed on the <a href="#">IAIS website – Closed Consultations</a> page.</p>	
FSB			
	August 20, 2021	<p><b><a href="#">Continuity of Access to FMIs for Firms in Resolution: Streamlined Information Collection to Support Resolution Planning (Revised Version 2021)</a></b></p> <p><a href="#">This questionnaire</a> updates the previous questionnaire for FMIs,</p>	

		<p>which was published in August 2020. It has been revised following an evaluation of stakeholders' first experiences with the process via an online survey in April 2021. While a large majority of respondents (from various perspectives) indicated that the questionnaire template was useful, a number of suggestions were also made. To the extent feasible, these have been incorporated as clarifications or amendments to the introductory section. No major changes have been made to the questionnaire itself – this keeps the burden for FMIs low when they next update their responses.</p> <p>The questionnaire was developed in consultation with FMIs, FMI participants and FMI oversight authorities. It covers general information on the FMI and its legal structure; (the rulebook/contractual provisions regarding termination; and arrangements and operational processes to facilitate continued access in resolution. It is designed to reduce the burden of duplicative information-gathering efforts by streamlining the</p>	
--	--	--	--

		<p>collection of certain baseline information relevant to continuity of access in resolution. The questionnaire aims to reduce the “many to one” nature of inquiries from FMI participants and authorities to FMIs for resolution planning and streamline the provision of this information from FMIs to firms and authorities through the use of a common template.</p> <p>All FMIs are encouraged to complete the questionnaire and to publish their responses, or to make them available in other ways to FMI service users and resolution authorities to inform their resolution planning.</p> <p>The FSB emphasizes that if an FMI chooses not to complete the questionnaire, it should be prepared to respond to its clients’ (and their resolution authorities’) information requests within reasonable deadlines as mutually agreed.</p>	
FSB	August 20, 2021	<p><a href="#"><u>Continuity of Access to FMIs Services (FMI Intermediaries) for Firms in Resolution: Framework for Information from FMI Intermediaries to Support Resolution</u></a></p>	



		<p><b>Planning</b></p> <p>In 2017, the FSB published its <a href="#"><i>Guidance on Continuity of Access to Financial Market Infrastructures for a Firm in Resolution</i></a>. The Guidance sets out arrangements and safeguards to facilitate continuity of access to FMI services for a firm in resolution with a view to maintaining the firm's critical functions that rely on the continued access to FMI services. As part of implementing the Guidance, authorities and firms (as FMI service users) develop plans to facilitate continuity of access in resolution. This requires information about the nature of the FMI service user's relationship with both FMIs and FMI intermediaries on the arrangements and safeguards that would affect an FMI service user's access to FMI services in the run-up to, and during, its resolution.</p> <p>The framework set out <a href="#"><i>in this document</i></a> seeks to help FMI intermediaries better understand which information clients and their RAs may need from them. It does so by providing an overview of the</p>	
--	--	--	--

		<p>baseline information that is potentially relevant for clients and RAs, which they and FMI intermediaries can then discuss, as needed, in their bilateral engagement. Thus, the framework makes it more predictable for FMI intermediaries which topics could be part of information requests from their clients and/or from their clients' RAs. This could potentially allow them to identify opportunities to streamline their response process, reducing the resources required to provide this information.</p> <p>As part of their outreach, the FSB will host a webinar for stakeholders on this Framework on September 16, 2021. Representatives of FMI service providers, FMI service users and authorities who would like to attend should contact <a href="mailto:fsb@fsb.org">fsb@fsb.org</a> for more details.</p>	
FSB	August 18, 2021	<p><b>Public Responses to Consultation on Policy Proposals to Enhance Money Market Fund Resilience</b></p> <p>On 30 June 2021, the Financial Stability Board (FSB) published <i>Policy proposals to enhance money</i></p>	

		<p><i>market fund resilience: Consultation Report.</i> Interested parties were invited to provide written comments by August 16, 2021. The public comments received are now available. The FSB expects to publish the final policy proposals in October 2021.</p>	
<b>Legislation</b>			
<p>Canada Gazette, Part I, Volume 155, Number 34</p>	<p>August 18, 2021</p>	<p><b>Notice of Designation to the Canadian Payments Association</b></p> <p>The Canadian Payments Association (Payments Canada) operates Lynx, Canada's modernized wholesale payment system, which will be used for settling transactions from other financial market infrastructures, reinforcing the Bank of Canada's policy interest rate and processing high-value payments in the country. Lynx is a system eligible to be designated under the Act since it has at least three participants (at least one of which is a Canadian participant and at least one of which has its head office in a jurisdiction other than Ontario, where the Payments Canada head office is located), clearing and settlement are all</p>	

		<p>conducted in Canadian dollars, and payment obligations that arise from the system are ultimately settled through adjustments to the accounts of participants at the Bank of Canada.</p> <p>Pursuant to this Notice, the Governor of Bank of Canada expresses the opinion that Lynx could be operated in such a manner as to pose systemic risk and therefore should be designated as subject to Part I of the Act. The Minister of Finance is of the opinion that it would be in the public interest to designate Lynx.</p> <p>Accordingly, Lynx is hereby designated as a system that is subject to Part I of the <i>Payment Clearing and Settlement Act</i>, effective as of the day that Lynx commences operations.</p>	
Canada Gazette, Part II, Volume 155, Number 17	August 5, 2021	<p><b>Canadian Payments Association By-law No. 9 — Lynx: SOR/2021-182</b></p> <p>The Board of Directors of the Canadian Payments Association, pursuant to subsection 18(1) of the Canadian Payments Act makes the annexed Canadian Payments Association By-law No. 9 — Lynx.</p>	

Canada Gazette, Part II, Volume 155, Number 17	August 4, 2021	<b>Financial Consumer Protection Framework Regulations: SOR/2021-181</b>  Regulations to support the coming into force of the new legislative framework, being the Financial Consumer Protection Framework in the Bank Act, have been published in the Canada Gazette	
--	----------------	---	--

## Disclaimer

This Reporter is prepared as a service for our clients. It is not intended to be a complete statement of the law or an opinion on any subject. Although we endeavour to ensure its accuracy, no one should act upon it without a thorough examination of the law after the facts of a specific situation are considered.

## Par

[Cindy Y. Zhang, Donna Spagnolo](#)

## Services

[Services bancaires et financiers, Services financiers, Services bancaires , Réglementation des services financiers, Assurances](#)

## BLG | Vos avocats au Canada

Borden Ladner Gervais S.E.N.C.R.L., S.R.L. (BLG) est le plus grand cabinet d'avocats canadien véritablement multiservices. À ce titre, il offre des conseils juridiques pratiques à des clients d'ici et d'ailleurs dans plus de domaines et de secteurs que tout autre cabinet canadien. Comptant plus de 725 avocats, agents de propriété intellectuelle et autres professionnels, BLG répond aux besoins juridiques d'entreprises et d'institutions au pays comme à l'étranger pour ce qui touche les fusions et acquisitions, les marchés financiers, les différends et le financement ou encore l'enregistrement de brevets et de marques de commerce.

[blg.com](http://blg.com)

### Bureaux BLG

#### Calgary

Centennial Place, East Tower  
520 3rd Avenue S.W.  
Calgary, AB, Canada  
T2P 0R3

T 403.232.9500  
F 403.266.1395

#### Ottawa

World Exchange Plaza  
100 Queen Street  
Ottawa, ON, Canada  
K1P 1J9

T 613.237.5160  
F 613.230.8842

#### Vancouver

1200 Waterfront Centre  
200 Burrard Street  
Vancouver, BC, Canada  
V7X 1T2

T 604.687.5744  
F 604.687.1415

#### Montréal

1000, rue De La Gauchetière Ouest  
Suite 900  
Montréal, QC, Canada  
H3B 5H4

T 514.954.2555  
F 514.879.9015

#### Toronto

Bay Adelaide Centre, East Tower  
22 Adelaide Street West  
Toronto, ON, Canada  
M5H 4E3

T 416.367.6000  
F 416.367.6749

Les présents renseignements sont de nature générale et ne sauraient constituer un avis juridique, ni un énoncé complet de la législation pertinente, ni un avis sur un quelconque sujet. Personne ne devrait agir ou s'abstenir d'agir sur la foi de ceux-ci sans procéder à un examen approfondi du droit après avoir soupesé les faits d'une situation précise. Nous vous recommandons de consulter votre conseiller juridique si vous avez des questions ou des préoccupations particulières. BLG ne garantit aucunement que la teneur de cette publication est exacte, à jour ou complète. Aucune partie de cette publication ne peut être reproduite sans l'autorisation écrite de Borden Ladner Gervais S.E.N.C.R.L., S.R.L. Si BLG vous a envoyé cette publication et que vous ne souhaitez plus la recevoir, vous pouvez demander à faire supprimer vos coordonnées de nos listes d'envoi en communiquant avec nous par courriel à [desabonnement@blg.com](mailto:desabonnement@blg.com) ou en modifiant vos préférences d'abonnement dans [blg.com/fr/about-us/subscribe](http://blg.com/fr/about-us/subscribe). Si vous pensez avoir reçu le présent message par erreur, veuillez nous écrire à [communications@blg.com](mailto:communications@blg.com). Pour consulter la politique de confidentialité de BLG relativement aux publications, rendez-vous sur [blg.com/fr/ProtectionDesRenseignementsPersonnels](http://blg.com/fr/ProtectionDesRenseignementsPersonnels).

© 2025 Borden Ladner Gervais S.E.N.C.R.L., S.R.L. Borden Ladner Gervais est une société à responsabilité limitée de l'Ontario.