

April 18, 2019

Joint Forum of Financial Market Regulators continues work on collaboration and information sharing at its Annual Meeting

Toronto – The Joint Forum of Financial Market Regulators (Joint Forum) has concluded its Annual Meeting. The Joint Forum brings together members of the Canadian Council of Insurance Regulators (CCIR), the Canadian Securities Administrators (CSA), the Canadian Association of Pension Supervisory Authorities (CAPSA) and representation from the Canadian Insurance Services Regulatory Organizations (CISRO). Representatives of the Financial Services Regulatory Authority of Ontario (FSRA) and the Mortgage Broker Regulators' Council of Canada (MBRCC) also attended the meeting.

The dynamic nature of the financial services landscape was reflected in the Plenary Session, during which CAPSA introduced its Strategic Plan for 2019-22 and the CSA and CCIR provided highlights on their key initiatives. Themes included enhancing consumer protection and a focus on market conduct and efficiencies.

Angela Mazerolle, CAPSA Chair and Superintendent of Pensions and Insurance with the Financial and Consumer Services Commission (New Brunswick), shared CAPSA's proposed initiatives which take into account the changing environment that has created opportunities for new plan designs, products, processes and requirements. CAPSA has considered the resulting complexities to develop a Strategic Plan that can assist pension plan administrators in meeting their fiduciary duty while protecting the entitlements of pension plan beneficiaries. The new Plan also includes a review and update of the Capital Accumulation Plans Guideline. CAPSA will collaborate with CCIR and CSA as it leads this initiative.

Louis Morisset, CSA Chair and President and CEO of the Autorité des marchés financiers presented an update on CSA members' participation in the International Monetary Fund (IMF) Financial Sector Assessment Program (FSAP). The goals of this assessment are to gauge the stability and soundness of the financial sector and to assess its potential contribution to growth and development. The IMF assessment of the securities sector covered the analysis and review of securities and derivatives market intermediaries in Canada. Additionally, Mr. Morisset provided updates on the status of ongoing enhanced investor protection regulatory initiatives.

On behalf of CCIR, Patrick Déry, CCIR Chair and Superintendent, Solvency of the Autorité des marchés financiers brought forward two major milestones since last year's Joint Forum meeting. In support of its priority of building cooperative supervision and aligning with best international practices, the Fair Treatment of Customers Guidance (Guidance) was released in September 2018, in partnership with CISRO. The Guidance sets out the overarching expectations of insurer and intermediary regulators across the country. CCIR also released its full fee disclosure requirements for segregated funds and is currently working with industry towards implementation. These initiatives will provide more information for consumers to make better decisions while strengthening confidence in the financial services sector. Mr. Déry also presented an update on the IMF FSAP assessment of the insurance sector.

This year's meeting provided opportunities for focused discussion through break-out sessions on topical issues such as the integration of environmental, social and governance

factors in investment decisions, international focus on consumer protection, financial exploitation of vulnerable investors and cybersecurity. Members were able to provide valuable insights on these issues in the cross-sectoral context.

While discussing the complexities their sectors face in these areas, they were able to learn about each others' experiences and challenges. Members also shared updates on ombudservice oversight across banking services and investments, life, health and general insurance sectors.

FSRA CEO, Mark White, provided an update on the implementation of Ontario's new financial services regulator, including highlights of FSRA's transformation mandate. Mr. White highlighted that FSRA's objectives include national collaboration and harmonization of regulation, and FSRA welcomed the opportunity to engage with members of the Joint Forum.

MBRCC Chair and Director of Consumer Affairs with the Financial and Consumer Services Commission (New Brunswick), Alaina Nicholson, introduced the MBRCC and indicated that the MBRCC welcomed the opportunity to participate. Ms. Nicholson noted the broader, and often common challenges faced by financial services regulators, including the management of conflicts of interest, appropriate disclosures to consumers, product suitability, the emergence of digital service models, fintech and, of course, the increasing complexity of products.

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