Federal Financial Institutions Legislative And Regulatory Reporter - December 2015

January 18, 2016

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December 2015

Institution	Published	Title and Brief Summary	Status
OSFI [Applicable to insurance companies]	Issued December 29, 2015	Guide for the Demutualization of Mutual Property and Casualty Insurance Companies with Non-mutual Policyholders The primary purpose of this Guide is to promote awareness and enhance the transparency of the process and assessment criteria relative to the demutualization of an MPCC. The Guide describes the regulatory requirements relating to the demutualization of an MPCC and sets out the information that must be	Effective

		provided to OSFI at each phase of the demutualization process.	
BIS/Basel [Applicable to banks]	Published December 21, 2015	Guidance on the application of the Core principles for effective banking supervision to the regulation and supervision of institutions relevant to financial inclusion The Basel Committee on Banking Supervision has issued for public consultation proposed guidance for the regulation and supervision of institutions relevant to financial inclusion. This consultative document builds on past work by the Committee to elaborate additional guidance in the application of the Committee's *Core principles for effective banking supervision* to the supervision of financial institutions engaged in serving the financially unserved and underserved.	Comments should be provided no later than March 31, 2016
BIS/Basel [Applicable to banks]	Published December 18, 2015	Guidance on credit risk and accounting for expected credit losses issued by the Basel Committee Comprising 11 principles, the guidance sets out supervisory expectations for banks relating to sound credit risk practices associated with implementing and applying an expected credit loss (ECL) accounting framework.	Effective

		Among these principles, three provide guidelines for supervisory evaluation of credit risk practices, accounting for expected credit losses and the related supervisor's assessment of a bank's capital adequacy. The document is intended to set out guidelines on accounting for expected credit losses regardless of the applicable accounting standards.	
OSFI [Applicable to banks, trust and loan companies and mortgage insurance companies]	Issued December 11, 2015	Updating capital requirements for residential mortgages OSFI is working on changes to capital requirements for residential mortgages. The anticipated changes will impact the regulatory capital requirements for those deposit-taking institutions using internal models for mortgage default risk and the standardized capital requirements for Canada's private mortgage insurers. The planned changes will ensure that capital requirements keep pace with housing market developments and reflect the underlying risks.	n/a
BIS/Basel [Applicable to banks]	Published December 10, 2015	Revisions to the Standardised Approach for credit risk: Basel Committee issues second consultative document The second consultative document on Revisions to the Standardised Approach for credit risk	Comments should be provided no later than March 11, 2016

		forms part of the Committee's broader review of the capital framework to balance simplicity and risk sensitivity, and to promote comparability by reducing variability in risk-weighted assets across banks and jurisdictions.	
Bank of Canada	Issued December 3, 2015	Public Consultation: Policy guidance on the Bank of Canada's risk-management standards for designated financial market infrastructures - Standard 24: Recovery Plans The Bank of Canada published draft policy guidance related to its risk-management standards for designated Canadian financial market infrastructures (FMIs). The new guidance published relates to Standard 24 on FMI recovery plans.	Comments should be provided no later than February 1, 2016
IAIS [Applicable to insurance companies]	Published December 2, 2015	Insurance Core Principles Revision The IAIS adopted revisions to the Insurance Core Principles. Revisions were adopted to Licensing, Suitability of Persons, Corporate Governance, Risk Management and Internal Controls, Group-wide Supervision and Supervisory Cooperation and Coordination. These changes were initiated following conclusion of comprehensive Self-Assessments and Peer Reviews (SAPR) of the	Effective November 12, 2015

		related ICPs. They also take into account recent developments in group supervision, corporate governance and risk management as well as principles, standards and guidance issued by other standard setting bodies.	

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By

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