

OSFI 2017-2020 Priorities

Over the course of the 2017-20 planning period, the Office of the Superintendent of Financial Institutions (OSFI) will continue to devote the majority of its efforts to implementing its core mandate in a way that contributes to public confidence in the Canadian financial system. In addition to its ongoing work, OSFI will focus on the following five priorities.

OSFI 2017-20 PRIORITIES
Priority A: Tighten the link between effort at OSFI and results in the field
A1. Improve consistency of supervisory decisions across like institutions and the timeliness of follow-up of supervisory recommendations.
A2. Enhance OSFI's ability to assess how risk culture and other drivers of behaviour support or undermine effective risk management across a range of institutions.
A3. Complete a comprehensive review of OSFI's supervisory processes and implement the updated supervisory methodology and processes with effective and efficient enabling technology.
Priority B: Strengthen our ability to anticipate and respond to severe but plausible risks to the Canadian financial system
B1. Enhance OSFI's prudential guidance so that it will encourage financial institutions to position themselves to operate through periods of stress (e.g., guidance on encumbrance limits, solo capital and the implementation of "bail-in" requirements).
B2. Deepen OSFI's understanding of risk factors arising outside of OSFI's direct responsibilities (e.g. financial technologies, shadow banking, reinsurance, securities financing) and adjust OSFI's prudential expectations accordingly.
B3. Articulate OSFI's tolerance for risk and how the allocation of regulatory and supervisory resources will be guided by that tolerance.
B.4 Enhance OSFI's ability to identify, analyze and respond to macroeconomic and geopolitical uncertainty.
B.5 Re-examine OSFI's role in, and approach to, enhancing cyber security at Canadian financial institutions.
Priority C: Reinforce our principles-based guidance and supervision
C1. Review OSFI's oversight requirements to ensure that prudential expectations and guidance are principles-based wherever possible and do not inadvertently encourage a rules-based approach to implementation.
Priority D: Influence international guidance, standards and reforms with a view to implementing them in the context of what is best for Canada
D1. Actively participate in the development of international prudential and accounting standards and implement those standards in Canada in a way that promotes financial stability in Canada and takes account of Canadian business models.
D2. Enhance OSFI's ability to scale expectations to the size and complexity of the institutions.

Priority E: Set and meet high standards for managing our own resources

E1. Support employee effectiveness and career development through the provision of high quality training opportunities and a talent management program.

E2. Continue to build OSFI's information management capacity and further enhance regulatory data management while ensuring information is well protected from external and internal threats.

E3. Strengthen OSFI's ability to implement internal organizational and system changes and to respond to new priorities while minimizing disruption and maintaining fiscal discipline.