Draft guideline

Title	Liquidity Adequacy Requirements (LAR) – Guideline (2027)
Category	Liquidity Adequacy Requirements
Date	May 21, 2026
Sector	Banks Trust and Loan Companies
Effective Date	May 1, 2027

Consultation status: Closed

Consultation closed July 20, 2026. We'll keep this draft on the site until the final guideline is released.

To review the version of this guideline currently in effect, please visit Liquidity Adequacy Requirements (LAR) – Guideline (2026).

Subsections 485(1) and 949(1) of the *Bank Act* (BA) and subsection 473(1) of the *Trust and Loan Companies Act* (TLCA) require banks, bank holding companies and trust and loan companies, respectively, to maintain adequate and appropriate forms of liquidity.

The LAR Guideline is not made pursuant to subsection 485(2) or 949(2) of the BA or subsection 473(2) of the TLCA. However, the liquidity metrics set out in this guideline provide the framework within which the Superintendent assesses whether a bank, a bank holding company or a trust and loan company maintains adequate liquidity pursuant to the Acts. For this purpose, the Superintendent has established two minimum standards: the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR). These standards – in conjunction with additional liquidity metrics where OSFI reserves the right to apply supervisory requirements as needed, including the net cumulative cash flow (NCCF), the operating cash flow statement (OCFS), the liquidity monitoring tools and the intraday liquidity monitoring tools – when assessed as a package, provide an overall perspective of the liquidity adequacy of an institution. The LAR Guideline should be read together with OSFI's Guideline B-6: Liquidity Principles.

OSFI will conduct detailed supervisory assessments of both the quantitative and qualitative aspects of an institution's liquidity risk, as presented in the LAR Guideline and Guideline B-6, respectively. Notwithstanding that a bank, a bank holding company or a trust and loan company may meet the aforementioned standards, the Superintendent may by order direct a bank or bank holding company to take actions to improve its liquidity under subsection 485(3) or 949(3), respectively, of the BA or a trust and loan company to take actions to improve its liquidity under subsection 473(3) of the TLCA.

OSFI, as a member of the Basel Committee on Banking Supervision (BCBS), participated in the development of the international liquidity framework published on the Bank for International Settlements (BIS) website. This domestic guidance is based on the Basel Framework supplemented to include additional OSFI-designed measures to assess the liquidity adequacy of an institution. Banks, bank holding companies and trust and loan companies are collectively referred to as "institutions".

Where relevant, the Basel Framework paragraph numbers are provided in square brackets at the end of each paragraph referencing material from the Basel Framework.

Liquidity Adequacy Requirements

The LAR Guideline is set out in seven chapters, each of which has been issued as a separate document that should be read together.

- Chapter 1 - Overview
- Chapter 2 - Liquidity Coverage Ratio
- Chapter 3 - Net Stable Funding Ratio
- Chapter 4 - Net Cumulative Cash Flow
- Chapter 5 - Operating Cash Flow Statement
- Chapter 6 - Liquidity Monitoring Tools
- Chapter 7 - Intraday Liquidity Monitoring Tools