

Canadian securities regulators highlight CSA 2019-2022 Business Plan achievements

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Montreal – The Canadian Securities Administrators (CSA) today released its [Achievement Highlights report](#) that summarizes the progress made on the strategic initiatives published in the CSA 2019-2022 Business Plan.

“I am very proud of what we have accomplished over the past three years. CSA members collaborated to pursue our strategic goals, drive a harmonized approach to securities regulation, and improve our regulatory system” said Louis Morisset, Chair of the CSA and President and CEO of the Autorité des marchés financiers. “We proactively responded to the unique challenges and uncertainties brought by the pandemic and other important market and regulatory developments, such as the rise of do-it-yourself (DIY) and crypto asset investing.”

Of the 41 initiatives outlined in the 2019-2022 Business Plan, the vast majority were completed during the three-year period, while the remainder are in progress. Key initiatives include:

- Implementing the **client focused reforms**, which notably introduced new obligations on registrants to address material conflicts of interest, put clients’ interests first when determining the suitability of investments.
- Instituting a **ban on deferred sales charges and associated redemption fees and trailing commissions for order-execution-only dealers** to promote investment fund fee transparency.
- Implementing amendments to improve the protection of older and vulnerable clients across Canada, including the use of a **Trusted Contact Person** in specific situations, as well as a regulatory framework allowing registrants to place a temporary hold on transactions, withdrawals or transfers in suspicious circumstances.
- **Streamlining regulation** (of which 9 out of 10 initiatives were completed) for non-investment fund issuers, investment funds, registrants and marketplaces while maintaining investor protections, such as facilitating greater access to capital through an alternative offering system, introduction of a single, uniform set of rules for securities-based crowdfunding registration and prospectus exemptions, the rationalization of investment fund disclosure, and the streamlining of reporting requirements and enhancing system requirements for marketplaces carrying on business in Canada.
- Proposing a **regulatory regime for crypto asset trading platforms** that fosters innovation and flexibility, while improving the quality of disclosures and adherence to appropriate oversight.
- Reviewing exchange issuer regulation with respect to promotional activities in the venture market, reverse takeovers and direct listings, as well as considering the implications of **activist short-selling** in Canada.
- **Enhancing the supervision of the over-the-counter derivatives markets** to mitigate and reduce systemic risk in Canada and ensure that Canada complies with its international commitments.

- Developing and testing the **CSA Market Disruption Coordination Plan**, which includes steps for information sharing and coordination among Canadian regulators in the event of a large-scale market disruption.

These significant results were achieved alongside the CSA's unprecedented efforts to respond to the global COVID-19 pandemic. Our actions stemmed from CSA members' understanding of industry and investors' realities as they coped and adjusted to get through the crisis. The CSA balanced the need to alleviate regulatory burden during an extraordinary disruption and its obligation to maintain investor protection at a time of market volatility. The CSA also advanced its enforcement practices during the pandemic, such as conducting virtual investigations and virtual hearings, to further drive collaboration and efficiency.

Notable key CSA initiatives outside of the 2019-2022 Business Plan include:

- Leading the creation of a **new self-regulatory organization for the investment industry** that will consolidate the functions of the Investment Industry Regulatory Organization of Canada (IIROC) and the Mutual Fund Dealers Association of Canada (MFDA), as well as establishing a **new investor protection fund**.
- Publishing proposals and/or guidance related to climate-related disclosure, board diversity, environmental, social and governance (ESG) disclosure for investment funds, and non-GAAP and other financial measures disclosure.
- Establishing the **CSA Investor Advisory Panel** to provide advice to the CSA and ensure that retail investors' interests and concerns are fully considered.

The CSA's accomplishments, as outlined in the Achievement Highlights report, demonstrate the shared commitment of CSA members to protect investors, foster fair and efficient capital markets, and strengthen market integrity and confidence in an increasingly complex and dynamic environment.

CSA members continue to work cooperatively on these strategic initiatives and other issues that affect Canada's capital markets, while maintaining and allowing for local flexibility and innovation.

The CSA, the council of the securities regulators of Canada's provinces and territories, coordinates and harmonizes regulation for the Canadian capital markets.

For Investor inquiries, please refer to your respective securities regulator. You can contact them [here](#).

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