

Advisory

Assessment Criteria

Date: [February 11, 2022](#)

Distribution: All Financial Institutions (Credit Unions, BC Insurance Companies, and BC Incorporated Trust Companies)

Advisory Number: 22-005

PURPOSE

BC Financial Services Authority (“BCFSA”) has assessment criteria that guide the determination of the Composite Risk Rating and underlying ratings. The purpose of this Advisory is to inform all provincially regulated financial institutions that the assessment criteria which underpins and supports the Supervisory Framework has been updated and is now posted on BCFSA’s website.

ADDITIONAL INFORMATION

The [Supervisory Framework](#) sets out the rationale, principles, concepts, and core processes that BCFSA uses to guide its supervision of provincially regulated financial institutions. Developing and maintaining a risk-based supervisory methodology is a dynamic process that requires periodic review to ensure that supervision practices remain relevant and effective.

The [Assessment Criteria](#) was developed to inform financial institutions of BCFSA’s focus when carrying out its assessments of risks, oversight functions and key significant activities. These assessment criteria guide supervisors in assessing the safety and stability of financial institutions. A standardized approach enhances the consistency and comparability of BCFSA’s assessments.

These enhancements continue to make BCFSA’s risk-based supervision as dynamic and forward looking as possible. BCFSA will regularly review and update the assessment criteria in response to changes in British Columbia’s financial sector.

For further information please refer to the [Assessment Criteria Frequently Asked Questions](#).

If you have any questions or concerns about this Advisory, please contact your BCFSA Relationship Manager or Chris Elgar at Chris.Elgar@bcfsa.ca.