

Advisory

Launch of BCFSA's Capital Modernization Project

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Distribution: All CEOs/General Managers/CFOs, B.C. Credit Unions
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PURPOSE

BC Financial Services Authority ("BCFSA") is pleased to announce its plans to launch a multi-year initiative to modernize the capital framework for B.C.'s credit unions. The goals of the Capital Modernization Project are to ensure that capital adequacy requirements for credit unions continue to reflect underlying risks and, as appropriate, developments in international standards and best practices.

BCFSA will host a virtual information session for all B.C. credit unions on Tuesday, June 28, 2022.

The information session will include:

- An overview of the goals of the Capital Modernization Project
- An overview of timelines and phases of the project
- Discussion about consultation opportunities
- A moderated question and answer period.

Topic: Capital Modernization Project Information Session

Time: June 28, 2022, 3:00-4:00 PM Pacific Time

[REGISTER NOW](#)

We invite you to share the registration link with others in your organization whose attendance at this event would be appropriate. The webinar will be recorded and made available on the BCFSA website following the event.

It is BCFSA's objective to engage proactively with credit unions and other stakeholders throughout the Capital Modernization Project. Engagement with key stakeholders will help ensure that the unique characteristics of the B.C. credit union sector are considered as part of the work to adopt a capital framework, based on Basel III, that will align more closely with international standards.

BACKGROUND

BCFSA's Capital Modernization initiative follows the Financial Institutions Act and Credit Union Incorporation Act Review issued in March 2018 by the Ministry of Finance, which included recommendations to adopt a Basel III-like capital framework and rules-based approach for capital standards applicable to all provincial credit unions.

As detailed in BCFSA's Regulatory Roadmap, the Capital Modernization Project is a core focus for credit unions in the fiscal year 2022/23. The ultimate outcome of this initiative is expected to be a new Capital Rule that will replace the existing [Capital Requirements Regulation](#). The first of a series of public consultations to gather feedback throughout the phases of this project will be held later in 2022.

If you have any questions, please contact us at regulation@bcfsa.ca.