

Advisory

Consultation on Loan Data Reporting Requirements

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Distribution: B.C. Credit Unions

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PURPOSE

BCFSA is launching a consultation on proposed data reporting requirements for B.C. credit unions to allow for in-depth risk assessment and enhance regulatory reporting. The proposed requirements include reporting granular loans and leases data of credit unions' entire personal and commercial portfolios.

We encourage all credit unions and other interested stakeholders to review the [Draft Loan Data Reporting \("LDR"\) Requirements](#) document and **send feedback to filings@bcfsa.ca by December 18, 2023**. The document describes the data fields, specifications, and general reporting requirements, outlines the consultation process and the proposed implementation timeline, and lists consultation questions for your feedback.

BCFSA will hold the LDR consultation in two stages. During the first stage, we are seeking written feedback on the proposed requirements. In the second stage, BCFSA will convene a technical working group with credit union representatives. When providing feedback, please indicate if you or another individual from your credit union wishes to participate in these technical working group sessions. Please see the [Terms of Reference](#) for information about the role and membership criteria for this technical working group.

BCFSA values the feedback it receives during consultations and will use your input to finalize the reporting requirements. BCFSA plans to issue the final LDR requirements in Summer 2024 and implement in Winter 2024.

BCFSA will treat submissions of feedback as confidential records and will not publish individual submissions or attribute content. However, please note that all submissions are subject to the *Freedom of Information and Protection of Privacy Act*.

REGISTER FOR THE INFORMATION SESSION

Join us for an overview of the proposed LDR requirements and consultation process at this 30-minute information session. Participants will have the opportunity to ask questions during a moderated question and answer period.

Date: November 28, 2023 at 1 p.m. PST

[Register Now](#)

ADDITIONAL INFORMATION

Collecting and analyzing relevant data with the appropriate level of granularity is an essential component of BCFSA's risk-based supervision. Granular data enables effective and efficient risk monitoring and assessment to fulfill BCFSA's supervisory mandate.

Classification: **Public**

600-750 West Pender Street
Vancouver, B.C. V6C 2T8

T 866 206 3030
F 866 660 3365

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Currently, BCFSA requests granular residential mortgage data from credit unions on a quarterly basis for Residential Mortgage Underwriting Assessment (“RMUA”) and granular personal and commercial loan data when needed. These data requests include about 60 to 70 per cent of the data fields in the proposed LDR. In addition, the proposed LDR aligns with other regulators’ initiatives to focus on granular data collection to improve risk assessment in support of financial institutions’ regulation and supervision.

Regular reporting of the proposed loan data provides a more comprehensive picture of a credit union’s lending operations and offers the following benefits to credit unions and BCFSA:

- Ensures that appropriate and quality data is maintained and reported by credit unions in support of their risk management and reporting practices;
- Supports the tailored to B.C. credit risk approach in the proposed capital modernization framework;
- Enables BCFSA to monitor and identify possible vulnerabilities and emerging risks in credit unions’ underwriting standards and continue our principle-based approach in consideration of credit risk and loan underwriting;
- Streamlines regulatory reporting, as LDR will replace the quarterly Residential Mortgage Loans Report (“RMLR”) filings, the quarterly RMUA information requests, and ad-hoc loan extracts requested for on-site reviews; and
- Improves supervisory monitoring and assessment of risk in credit unions’ loan portfolios. In addition, BCFSA will share with credit unions the high-level results from the collected loan data and assessment.

If you have any questions about this Advisory, please contact Reporting and Standards at filings@bcfsa.ca.