

CBA Institutional Report

1. Created in 1891, the Canadian Bankers Association (**CBA**) is the national voice of the Canadian banking industry. Its members include more than 60 domestic chartered banks, foreign bank subsidiaries, and foreign bank branches operating in Canada, together with their over 280,000 employees. Our membership represents almost all the banks in Canada.
2. Member banks are listed on our website ([Member banks | Member banks \(cba.ca\)](#)) and include:
 - a. the 6 largest domestic banks that have each been designated by the Office of the Superintendent of Financial Institutions as domestic systemically important banks (**DSIBs**);
 - b. 27 small and mid-sized domestic banks (**SMBs**); and
 - c. 35 foreign bank subsidiaries and foreign bank branches operating in Canada (**Foreign Banks**).
3. The CBA serves its members in matters that concern the banking industry as a whole. The CBA's mandate includes advocating for public policy that contributes to a sound and successful banking system that benefits Canadians and the Canadian economy.
4. Our structure is based on balanced member participation. Our Board consists of Senior Executive representatives from our DSIB members, CEO/Senior Executive representatives from several of our SMB and Foreign Bank members, and the CEO of the CBA. We have similarly structured subject matter Senior Committees consisting of lead executive member experts that support the CBA and its Board. These Senior Committees are supported by numerous Specialists Groups and Working Groups. Specialists Groups have very broad member representation based on member interest and Working Groups tend to be smaller to support efficiently moving issues forward for broader consideration. As a practical matter, the CBA generally draws proportionally more on the resources of our DSIB members given their business breadth, team depth, and financial resources.

CBA Narrative

Overview

1. Working within the various levels of its governance framework, the CBA's work with respect to the Emergency Economic Measures Order (**EEMO** or **Order**) included the following:
 - a. Engaging with the Department of Finance (**Finance**) to understand the legal obligations under the Order and ensuring they were implemented within their limited scope. Over twenty-four hours after the Government announced it was invoking the *Emergencies Act* the regulatory package which included the Order, was published. For this reason, our February 15 Category 1 record relating to initial issues and questions for Finance are without benefit of seeing the Order;
 - b. Engaging with the RCMP to understand the RCMP's role and process to enable compliance with the Order including reporting obligations. Helping to ensure members received the RCMP's initial list of Designated Persons including sharing the process to have member banks added to the RCMP's ongoing delivery list;
 - c. At the request of Finance, collecting member data on account freezing and reporting based on an evolving template strictly limited to the requested data.; and
 - d. Providing messaging to support media inquiries and other industry communications.
2. The CBA became aware of the invocation of the *Emergencies Act* in the late afternoon of February 14, 2022, when Prime Minister Trudeau announced that under the *Emergencies Act*, "Financial institutions will be authorized or directed to render essential services to help address the situation including by regulating and prohibiting the use of property to fund or support illegal blockades."
3. While we awaited further details, the CBA arranged a call with our Board Chair for the next morning to discuss support by the CBA.
4. On the morning of February 15, 2022, the CBA initiated meetings with its Legal, AML, Corporate Security, Government Relations and Communications groups to assess initial issues and concerns pending publication of the EEMO and in the context of further details announced by Deputy Prime Minister and Minister of Finance Freeland. As mentioned above, these groups are composed of representatives from the CBA members and the CBA.

Identifying Questions and Concerns

5. Working through these groups on February 15, 2022, we developed a document of initial questions and concerns that afternoon for sharing with Finance.
6. When the *Emergencies Act* regulatory package (including the EEMO) was published later that evening (around 9:15 pm), we circulated said package to these groups to support our further engagement to update our analysis.
7. On February 16, 2022, the CBA reviewed the details of the regulatory package with its groups and updated its lists of questions and concerns. The CBA also completed analysis on the scope of the EEMO and emphasized the necessity of obtaining confirmation from the Government that the measures were intended to be temporary and focused only on a narrow group of individuals and entities involved in specific activities covered by the EEMO.
8. On February 16, 2022, the CBA worked with a Working Group of members to develop a reactive media statement and baseline customer care messaging and distributed this to our broader membership.
9. On February 16, 2022, the RCMP issued its initial letters regarding Designated Persons. The CBA helped to ensure members received the RCMP's initial list of Designated Persons including sharing the process to have member banks added to the RCMP's ongoing delivery list. The CBA also sought and received confirmation from the RCMP that the persons listed were considered Designated Persons.
10. On February 16, 2022, Finance contacted the CBA to arrange a meeting with our broad membership to respond directly to questions and also requested the CBA's support on data regarding account freezing by member banks which is further discussed below. The CBA facilitated this meeting with Finance which took place on February 17, 2022.

Summaries of Communications with CBA Membership

11. Our communications within all levels of our organization focused on:
 - a. Identifying questions and issues for Government response including ensuring the legal obligations under the EEMO were implemented within their limited scope.;
 - b. Supporting member compliance.; and
 - c. Addressing communication concerns including responding to media, customers and misunderstandings relating to the implementation of the EEMO.

Summaries of Communications with Finance Officials

12. Our communications with Finance officials focused on:
 - a. Identifying questions and issues for response by Finance to help ensure the legal obligations under the EEMO were implemented within their limited scope.;
 - b. FAQs created through the CBA for potential posting by Finance to clarify the application of the EEMO.; and
 - c. Responding to Finance's request for CBA member data relating to account freezes.

Activities In Collecting Account Freezing Information

13. The CBA initially shared with Finance the view that it would be better if Finance received data from the RCMP, as financial institutions were already required to provide this data to the RCMP and the RCMP would have data from all financial institutions rather than only our member banks. Finance noted the importance of receiving this information promptly and provided the CBA with a proposed template for the provision of information from the CBA to Finance.
14. On February 17, 2022, the CBA communicated with its members regarding this request. The CBA enhanced the template for providing this information, began collecting and submitted its first batch of data to Finance on February 17, beginning with the DSIB banks. The CBA continued to collect this data and provide it to Finance based on activities during the period of the EEMO and its revocation.

Conclusion

15. The CBA recognizes the importance of the Commission's work and appreciates the opportunity to assist the Commission in discharging its mandate.