



NEWS RELEASE

For immediate release

For further information, please contact:

Andrea Zviedris

Manager, Media & Public Affairs

416-943-6906

azviedris@iiroc.ca

IIROC Annual Report charts progress made to protect investors and support industry transformation

September 21 2020 (Toronto, Ontario) – The Investment Industry Regulatory Organization of Canada (IIROC) today released its [Annual Report for 2019-2020](#), highlighting how the public interest regulator is delivering value for Canadians and the financial system, protecting investors and supporting industry transformation.

“IIROC became a more flexible, efficient and responsive pan-Canadian regulator – qualities that were increasingly important as COVID-19’s disruptions rocked Canada’s economy and Canadian society,” says IIROC President and CEO, Andrew J. Kriegler. “We demonstrated agility and accelerated the way we regulate and support innovation, while enhancing investor protection. We continue to explore ways to be more effective and efficient in fulfilling our public interest mandate and fostering healthy capital markets and investor confidence.”

In addition to carrying out our regulatory responsibilities through the setting and enforcing of dealer and market regulation rules, the 2019-2020 fiscal year marked the successful completion of the first year of IIROC’s new Strategic Plan.

Below are highlights of the activities and initiatives in support of the Strategic Plan:

Support Industry Transformation: Our [SRO consolidation proposal](#) sets out a roadmap for a practical way forward in improving the financial system to benefit investors and industry alike. The consensus from IIROC’s extensive outreach was a framework that must protect investors, be positive for firms of all sizes and business models, reduce regulatory burden, and be achievable with minimal disruption. An August 2020 [assessment from Deloitte](#) confirms that IIROC’s proposed consolidation of IIROC and the MFDA could yield aggregate industry savings of nearly half a billion dollars over 10 years.

IIROC granted certain exemptive relief for firms experiencing difficulty in the pandemic to support their clients and comply with regulatory rules. In addition, IIROC deferred fees for small and medium-sized firms. Also this past year, IIROC published guidance on e-signatures, supervision of account opening for order-execution only firms and electronic complaint record retention.

Earlier in the year, IIROC introduced a number of initiatives to further increase input from investors to ensure that their experiences, insights and needs are considered in our policy-making. For example, IIROC continued to engage retail investors and “aspiring investors” which resulted in our [Access to Advice](#) research highlighting Canadians’ desire to access a broader suite of products and services throughout their life stages. This year, we also announced plans to establish a formal Expert Investor Issues Panel. As well, IIROC formalized the requirement to have at least one Board director with extensive direct experience with consumer and retail investor issues.

Drive Efficiency and Operational Effectiveness: IIROC completed the final phase of its system infrastructure upgrade, contributing to the organization’s seamless, secure move to a 100% work-from-home environment in March 2020. IIROC monitored significantly increased volumes of daily equity market transactions, peaking in late March at 1.4 billion.

Deliver Value to Canadians and the Financial System: IIROC’s role was expanded by the Canadian Securities Administrators (CSA) to be the Information Processor (IP) of government debt securities, in addition to its current role as IP for corporate debt securities. IIROC is committed to making detailed trading information available free of cost, to enhance transparency and access for market participants. As of September 2, government debt trading data is live at www.iiroc.ca.

IIROC and the CSA continue to work toward the publication of a regulatory framework for crypto trading platforms this fall.

IIROC has begun phased implementation of client identifier requirements. The first phase of the implementation (debt) came into effect in October 2019. The work on phases two and three (equities) is progressing well and will be implemented on July 26, 2021. We continue to work closely with the industry via a special implementation committee. A new area on the IIROC website is now dedicated to the implementation of phases two and three and provides greater transparency to all stakeholders.

IIROC continues to prepare for implementation of Client Focused Reforms rule amendments in 2021, while IIROC’s Plain Language Rulebook implementation deadlines were extended consistent with the CSA’s pandemic-based revisions to their implementation schedules.

Strengthen Enforcement: IIROC secured stronger enforcement powers in New Brunswick and Saskatchewan, joining seven other provinces and all three territories in giving IIROC the improved ability to protect investors by holding wrongdoers accountable. IIROC will continue to pursue a consistent level of legal authority across Canada and will advance its plans to introduce a tailored, proportionate disciplinary response.

Enhance Protection of Vulnerable Investors: IIROC continues to participate in a working group with the CSA and other regulators to develop a “safe harbour” rule to protect vulnerable and senior investors.

“We are proud of the progress we have made to protect investors and support healthy capital markets with the support of colleagues and partners – the Canadian Securities Administrators, their respective provincial and territorial governments, the Bank of Canada and our employees across the country,” adds Kriegler.

IIROC’s full Annual Report for 2019-2020 is available in web format and as a [downloadable PDF](#) on the IIROC website.

About IIROC:

IIROC is the pan-Canadian self-regulatory organization that oversees all investment dealers and their trading activity in Canada’s debt and equity markets. IIROC sets high quality regulatory and investment industry standards, protects investors and strengthens market integrity while supporting healthy Canadian capital markets. IIROC carries out its regulatory responsibilities through setting and enforcing rules regarding the proficiency, business and financial conduct of 175 Canadian investment dealer firms of varying sizes and business models and their more than 30,000 registered employees, the majority of whom are commonly referred to as investment advisors. IIROC also sets and enforces market integrity rules regarding trading activity on Canadian debt and equity marketplaces.