

INVESTOR ADVISORY PANEL

February 22, 2022

OECD Secretariat
Attention: Anna Dawson
anna.dawson@oecd.org

Re: OECD public consultation on draft proposed revisions to the Recommendation on G20/OECD High-Level Principles on Financial Consumer Protection

On behalf of the Investor Advisory Panel (IAP), I wish to thank you for providing this opportunity to comment on the above-noted proposal. The IAP is an initiative of Canada's largest market regulator, the Ontario Securities Commission (OSC). Our mandate is to solicit and articulate the views of investors on investor protection issues and thereby ensure their concerns and voices are represented in the OSC's policy development and rulemaking process.

In Part A below, we provide our response to the consultation questions you have asked. In Part B, we provide suggestions for wording the draft proposed revisions to the Principles in the Annex.

PART A: Responses to your questions

- i. Do you support the three new proposed cross-cutting themes, that is, 'Digitalisation', 'Sustainable Finance' and 'Financial Well-being'?*

Answer: Yes

- ii. Do you support the two new Principles proposed on 'Access and Inclusion' and 'Quality Financial Products'?*

Answer: Yes

- iii. Do you agree that the COVID-19 lessons have been appropriately included in the proposed revisions?*

Answer: Yes

- iv. Are there any developments that have not been incorporated in the proposed draft revised Recommendation?

Answer: In our view, the proposed draft revised Recommendation should highlight the emergence of crypto-currencies and crypto assets and the risks they present to consumers. These concerns fall under the new proposed cross-cutting theme of 'Digitalisation' and they could arguably be potential negative contributors to 'Sustainable Finance' and 'Financial Well-being'.

Part B: Comments and suggestions for wording the draft proposed revisions to the Principles in the Annex

We offer the following suggestions to the proposed revisions to the Annex highlighted in blue underline:

Principle 2: Role of Oversight Bodies

9. Co-operation with other financial services oversight authorities and between authorities or departments in charge of sectoral issues should be promoted. A level playing field across financial services should be encouraged as appropriate. International co-operation between oversight bodies should also be encouraged, while specific attention should be considered for consumer protection issues arising from international transactions and cross-border marketing and sales, as well as digital or crypto assets and currencies [or, in the alternative], as well as systemic risks stemming from digitalisation of financial products and the automation of financial services.

Principle 3: Access and Inclusion

10. Governments, oversight bodies and financial service providers and representatives should seek to support consumers' access to and use of financial products and services where possible and promote an inclusive financial system. Achieving these objectives requires both addressing barriers that prevent consumers from accessing and using financial products and services in the formal, regulated financial system, as well as ensuring consumers remain included in the financial system for example, in the event of financial hardship. Digitalisation should be leveraged where relevant to enhance financial access and usage, balanced with raising consumer awareness of the risks of online and information security.

Principle 5: Competition

Fair, efficient, and competitive markets should be promoted in order to provide consumers with greater choice amongst financial services, create competitive pressure

on providers to offer quality products, enhance innovation and maintain high service quality [at the lowest competitive costs](#). ...

Principle 12: Complaint Handling and Redress

32. Recourse to an independent redress process should be available to address complaints that are not efficiently resolved via the financial services providers' and representatives' internal dispute resolution mechanisms. At a minimum, aggregate information with respect to complaints and their resolutions [must](#) be made public.

Again, thank you for providing us with the opportunity to participate in this consultation.

Sincerely,

A handwritten signature in blue ink, appearing to read "Neil Gross".

Neil Gross,
Chair, Investor Advisory Panel