BANK OF CANADA
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Consumer-Driven Banking: Regulations and Trust Framework

July 21, 2026

Consumer-Driven Banking Advisory Committee Discussion Note

This note is to assist committee members in preparing for the second Consumer Driven Banking Advisory Committee (CDB ADCOM) meeting on July 21 2026.

This note will touch on:

- *Consumer-Driven Banking Regulations* & associated guidance
- Registry & trust framework

In this second meeting, the Bank of Canada (Bank) and Department of Finance are seeking feedback on:

- Do the proposed Registry implementation solutions align with industry participants' expectations in terms of:
    - Reliability?
    - Feasibility of integration?
    - Security?
- Do industry participants have proposals for Registry confirmation processes (described below) that the Bank has not considered/proposed?
- What challenges, if any, could industry participants face in implementing interoperable counterparty identity verification processes, as described in section 34 of the proposed CDB Regulations? How can the Bank support the implementation of these processes?

Proposed *Consumer-Driven Banking Regulations*

Regulations available for public comment

The proposed *Consumer-Driven Banking Regulations* (CDB Regulations) were pre-published for consultation in *Canada Gazette I* on June 27 for a 60 day consultation period. The proposed CDB Regulations clarify the operating rules and compliance requirements for Consumer-Driven Banking, including expectations for accreditation applications and ongoing supervision. The Department of Finance will walk CDB ADCOM industry participants through the proposed regulations during the meeting and will be available for questions. While the Department welcomes feedback at this time, the purpose of this discussion on proposed regulations is to provide an overview and to give industry ADCOM participants an opportunity to pose questions. Participants will have the opportunity to provide comments on the regulations through the formal consultation process with the Department of Finance, which will include in-person, virtual and written feedback options.

The Bank is in the process of developing supervisory guidelines and policies based on the CDB Regulations and the *Consumer-Driven Banking Act* (CDBA). These guidelines will further explain accreditation processes, the Bank's supervisory expectations, and the operating rules of the CDB framework. As industry participants prepare comments on the proposed CDB Regulations, the Bank encourages industry participants to consider which areas of the CDB Regulations require more clarification from the Bank on in supervisory guidelines – and to be ready to bring this feedback to the next ADCOM meeting.

As a form of "forward guidance" on CDB, the Bank intends to publish some draft guidelines on key topics including accreditation in Fall 2026 ahead of final publication of the regulations in *Canada Gazette, Part II*, with the caveat that these guidelines may be subject to change if regulatory requirements substantially change in response to the Government of Canada's formal public consultation process. Furthermore, the Bank will make additional public communications and engagements as key components of the CDB framework are finalized, such as the Minister of Finance's designations of the Technical Standards Body (TSB) and the External Complaints Body (ECB).

Trust Framework: introduction

At the May 12 ADCOM meeting, ADCOM participants discussed the "trust framework" as a set of policy and technical mechanisms to ensure that participating entities in CDB safely and securely exchange data with a counterparty (another participating entity in CDB). As described below, the trust framework comprises of checking the CDB Registry to see if a counterparty is in good standing, and that the counterparty is who they claim to be.

The CDB Regulations have specified requirements for this trust framework, and in this meeting, the Bank would like to discuss the technical implementation steps to achieve these regulatory requirements.

These requirements consist of:

- **The Registry**, per section 44 of the CDBA, and sections 20-22 of the proposed CDBR.
- The data sharing verification processes in Section 34 of the proposed CDBR, including:
    - **Participating entity confirmation of counterparty regulatory compliance** using the Registry as a source of information ("Registry confirmation"); and
    - **Participating entity verification of data sharing counterparty identity** – the means of which are not explicitly defined in regulations ("Identity verification").

See the Annex to review the relevant legislative and regulatory provisions.

Trust Framework: Digital Registry

Background

The Trust Framework is the set of mechanisms that enable participating entities to share consumer data in a safe and secure manner. While the Registry is one component[1] of the Trust Framework, it plays an important role in enabling participating entities to confirm whether a counterparty is a participating entity in good standing. Although the Bank of Canada will maintain a public registry for transparency and public information purposes, participating entities will require a means to access the registry on a per transaction basis to be in compliance with the *Consumer-Driven Banking Regulations*.

For the purposes of this discussion note, a **Digital Registry** refers to a potential operational mechanism through which participating entities could access current Registry information to support Trust Framework obligations and data-sharing activities.

[1] The other component of the Trust Framework identity verification of a counterparty prior to data sharing, which the Bank of Canada expects industry to establish and operate mechanisms for.

This discussion note focusses specifically on how participating entities could access up-to-date Registry information for good standing verification purposes, in a practical and reliable manner. This note does not seek feedback on broader Trust Framework elements, including technical standards or identity credentials. As part of its ongoing work, the Bank of Canada is assessing how best to support access to registry information while balancing operational practicality, implementation effort, and readiness for both the Bank of Canada and participating entities.

What We Heard

At the May 12 meeting of the Consumer-Driven Banking Advisory Committee, the Bank of Canada discussed a concept centred on pushing Registry updates to locally maintained copies stored and operated by participating entities. Members highlighted the need for greater clarity regarding how the Bank of Canada will operate the Digital Registry in practice and how participating entities will meet Trust Framework obligations.

Members also indicated that uncertainty regarding the Registry model and verification processes may create implementation challenges and affect planning and readiness timelines. Concerns were raised that an underdeveloped mirroring approach could complicate always-on product design and operational resiliency. These considerations have informed the Bank of Canada's ongoing assessment of how Registry information could be made available.

Evolution of the Bank of Canada's Thinking

As a result of these discussions, the current focus has shifted toward a conceptual web-based approach intended to better support operational use by participating entities. This model will also provide a practical means of recovery in circumstances where a participating entity's locally managed Registry information may no longer be current, such as where a Registry update is missed or not successfully retrieved, or a participating entity experiences internal system issues.

Current Proposed Registry Access Approach

The proposed conceptual approach would combine update notifications from the Bank of Canada with a secure web-based method for accessing current Registry information via a Digital Registry.
At a high level, the approach would operate as follows:

1. When the Digital Registry is updated, the Bank of Canada would notify participating entities, in near real time, that updated Registry information is available.
2. Participating entities would retrieve the latest Digital Registry information through a Bank-managed online service.
3. Participating entities would maintain a locally managed copy of the Digital Registry for use within their own operations.

This approach is intended to support the use of a current locally managed copy of the Digital Registry within participating entity environments to consult for each data-sharing request, rather than using the Bank of Canada's public Registry service. This approach is also intended to provide a practical fallback path: if a participating entity experiences an internal issue, misses an update, or needs to refresh its locally managed copy, it could obtain the latest Registry information from the Bank via the bank-managed web accessible end point.

The Bank of Canada is not presenting a final technical solution at this stage. Rather, it is seeking industry feedback on whether this approach could be viable for participating entities and what implementation considerations should inform the design of the proposed solution.

In particular, the Bank would welcome views on the following:

Questions for industry:

1. Would an approach whereby participating entities receive a notification from the Bank of Canada of a registry update and then participating entities subsequently retrieve the updated registry be workable within your environment?
   a. If so, what conditions or capabilities would need to be in place?
2. Could your organization support maintaining and using a locally managed copy of Digital Registry information to verify for each data-sharing request that the counterparty is a participating entity in good standing, rather than querying a Bank of Canada's Digital Registry? Why or why not?
3. What level of change effort, lead time, or implementation capacity would likely be required to adopt this approach? Please consider design, build, testing, and production readiness.
4. What expectations would your organization have regarding refresh, recovery, or fallback processes?
5. How would your organization identify and address missed updates, outdated registry information, or internal system failures?
6. Are there any operational, testing, resiliency, or implementation considerations the Bank of Canada should take into account when assessing this approach?

The Bank of Canada would value feedback on the operational readiness, implementation burden, and other participating entity considerations associated with this approach. This input will help inform the Bank's continued assessment of how Registry information could be made available in a manner that is workable for participating entities and supports this component of the Trust Framework.

Trust Framework: Identity verification

Section 34 of the proposed CDB Regulations requires that participating entities must verify their counterparty participating entity's identity prior to sharing data, whether requesting or receiving data. Counterparty identity verification is therefore an operational requirement of CDB that must be implemented by participating entities to be compliant with the CDB Regulations.

The Bank is of the view that this capability can be implemented by participating entities and/or third-party service providers without the need for a centralized technological solution operated by the Bank. The aim of this discussion is to discuss the viability of industry-led solutions to this regulatory requirement.

Questions for industry:

7. What are the main challenges you face in implementing interoperable counterparty identity verification processes for CDB?

8. Do you prefer identity verification process to be industry-led, or would you prefer the Bank to facilitate identity verification processes (i.e. via a Bank-operated digital certificate directory)? Please explain the reasons for your preference.
9. What role can third-party service providers play in identity verification processes?

Annex: Legislative and Regulatory Provisions pertaining to the Registry and Trust Framework verification processes

Consumer-Driven Banking Act

Section 44:

Registry

The Bank must maintain a public registry that includes the following information:

- *a) the name and address of each participating entity;*
- *b) in the case of a participating entity that is a bank that is listed in the schedule, the date on which its name was added to the schedule;*
- *c) in the case of a participating entity that is accredited under section 15, 17 or 19, the date on which it was accredited;*
- *d) the status of each participating entity, the date of any change to its status and, if applicable, the reasons for which its accreditation was revoked;*
- *e) any other information provided for in the regulations in relation to a participating entity or the activities that it performs under this Act;*
- *f) the name and address of each accredited third-party service provider and the date on which it was accredited;*
- *g) the status of each accredited third-party service provider, the date of any change to its status and, if applicable, the reasons for which its accreditation was revoked; and*
- *h) any other information provided for in the regulations in relation to an accredited third-party service provider or the activities that it performs under this Act.*

Proposed Consumer-Driven Banking Regulations

Section 20:

For the purposes of paragraphs 44(a) and (f) of the Act, the names and addresses that must be included in the registry are the legal and any trade names of each participating entity and accredited third-party service provider and their primary civic and mailing addresses.

Section 21:

For the purposes of paragraphs 44(e) and (h) of the Act, the other information that must be included in the registry is the following:

a) the telephone number, email address and, if any, website address of each participating entity and accredited third-party service provider;

b) any conditions that the Bank has imposed under subsection 23(3) or 36(3) of the Act on each participating entity or accredited third-party service provider whose accreditation has been suspended;

c) the contact information that consumers may use to make complaints to each participating entity; and

d) the list of activities referred to in paragraphs 31(a) to (c) of the Act that each accredited third-party service provider performs and the names of all of the participating entities on whose behalf that accredited third-party service provider performs those activities.

Section 22

The registry must be updated immediately after any of the information referred to in section 44 of the Act changes or, in the case of information of which the Bank must be notified, immediately after the Bank is notified of the change or the change takes effect, whichever is later.

Section 34:

A participating entity must not share a consumer's data under subsection 76(1) of the Act unless

a) in the case of a participating entity that has been requested to provide a consumer's data, it verifies the identity of the requesting entity and confirms, with reference to the registry, that that entity is a participating entity and that its accreditation has not been suspended or, if it has been suspended, that the Bank has not imposed, under subsection 23(3) of the Act, any conditions on that entity that would preclude it from receiving the requested data; and

b) in the case of a participating entity that is requesting to receive a consumer's data, it verifies the identity of the entity to which the request is made and confirms, with reference to the registry, that that entity is a participating entity and that its accreditation has not been suspended or, if it has been suspended, that the Bank has not imposed, under subsection 23(3) of the Act, any conditions on that entity that would preclude it from providing the requested data.