

**Presidents Committee  
of the  
International Organization of Securities Commissions**

**Resolution on IOSCO Multilateral Memorandum of Understanding  
Concerning Consultation and Cooperation and the Exchange of  
Information**

(Resolution 6/2013)

CONSIDERING that in May 2002 the Presidents Committee endorsed the IOSCO Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information (hereafter “the IOSCO MMoU”) and its related appendices and encouraged IOSCO member regulators to take the necessary steps to become signatories;

CONSIDERING that the IOSCO Principles on Enforcement and Cooperation, the related sections of the IOSCO Methodology and the Enforcement Resolutions incorporate the standard articulated in the IOSCO MMoU;

CONSIDERING the revision of the IOSCO Objectives and Principles for Securities Regulation in June 2010 and the IOSCO Assessment Methodology in September 2011;

CONSIDERING that in 2005 the Presidents Committee resolved to confirm the *“IOSCO Principles on Cooperation, the related sections of the Methodology and Enforcement Resolutions as interpreted and applied by the IOSCO MMoU, as the international benchmark for enforcement-related cooperation and exchange of information”*;

CONSIDERING that in 2005 the Presidents Committee resolved that applicants for ordinary membership in IOSCO and applicants for associate membership with primary responsibility for securities regulation in their jurisdictions should apply to become signatories to the IOSCO MMoU and to sign it as a condition of membership;

CONSIDERING that in 2010 the Presidents Committee resolved:

To pursue full implementation of the IOSCO MMoU by asking all IOSCO ordinary members and associate members, with primary responsibility for securities regulation in their jurisdictions to become signatories to the IOSCO MMoU:

- With regard to non-applicant members of IOSCO:
  - o The Executive Committee was asked to intensify efforts to provide technical assistance to the non-applicants to encourage them to apply as well as to comply with the requirements; and
  - o The Executive Committee was asked to create a *list* of non-applicant members which should be maintained and disclosed in the public area of the IOSCO website.

- With regard to Appendix B members:
  - o All such members were asked to apply to become full signatories to the IOSCO MMoU by 1 January 2013;
  - o The Executive Committee was asked to ensure that a program of technical assistance and advice is made available to such members to make the changes necessary to become signatories to the IOSCO MMoU; and
  - o The Executive Committee was asked to create a *list* after 1 January 2013 for members who fail to make an application to advance to Appendix A of the IOSCO MMoU.
  
- With regard to building on the IOSCO MMoU after 1 January 2013, the Executive Committee was asked to consider if a further standard beyond the existing IOSCO MMoU should be developed, taking into account developments in markets and supervisory and enforcement practices.

CONSIDERING that in 2012 the Presidents Committee resolved the transitional IOSCO Board would closely monitor progress towards complying with the 1 January 2013 deadline and following the 2010 Resolution of the Presidents Committee, disclose on a list on the IOSCO website from 1 January 2013 those members who have not become MMoU signatories;

CONSIDERING that in 2012 the Presidents Committee resolved that the transitional IOSCO Board would, at its first meeting of 2013 evaluate the overall MMoU implementation situation and, if necessary, propose to the Presidents Committee graduated additional measures to encourage those members who have failed to become MMoU signatories; and in the longer term, taking into account that all future Members of IOSCO must be signatories of the MMoU to qualify for membership, the transitional Board might want to propose to the Presidents Committee that the appropriate response for members who are not MMoU signatories could be, inter alia, to limit those members' opportunities to influence key IOSCO decisions;

CONSIDERING that the 2012 Resolution of the Presidents Committee called on its members to take into account, when exercising their responsibilities, the more limited enforcement co-operation that regulators who are non-signatories to the MMoU are able to provide;

CONSIDERING that at the time of this Resolution 97 members of IOSCO have now become signatories to the IOSCO MMoU, with 28 members still remaining non-signatories, efforts to build a strong international network of cooperation and exchange of information through the IOSCO MMoU are progressing and the IOSCO MMoU has already proved to be an effective tool to combat cross-border financial violations;

CONSIDERING that a "List of MMoU Non-Signatory Members" was published on 28 February 2013 identifying those members who have not become MMoU signatories and the status of their progress towards achieving compliance;

CONSIDERING that IOSCO, as an international organization, achieves its objectives by fostering consensus and provides assistance to its members to achieve these objectives;

CONSIDERING that IOSCO is revisiting its by-laws to reflect that signing the MMoU is a requirement for Ordinary Member status;

RECOGNIZING that the Executive Committee set up the IOSCO MMoU Assistance Program to help members complete the application and screening processes and, whenever necessary, thereafter remove any identified impediments preventing them from joining the IOSCO MMoU network of signatories;

RECOGNIZING that there is a need to increase the related assistance provided to the members;

RECOGNIZING the strategic goal to maintain and improve the international regulatory framework for securities markets via the setting of international standards, especially through supporting the development of the enforcement and surveillance framework;

#### IT IS AGREED:

That the IOSCO Board hereby renews and intensifies its commitment with the IOSCO MMoU Assistance Program to help members complete the application and screening processes and, whenever necessary, thereafter remove any identified impediments preventing them from joining the IOSCO MMoU network of signatories;

That IOSCO will ensure that a significant program of Technical Assistance and political support will continue to be made available to non-signatory members to enable them to make the changes necessary to become signatories to the IOSCO MMoU;

That the 2013 “List of MMoU Non-Signatory Members” will be maintained until such time as there are no outstanding non-signatory members;

That IOSCO members consider taking precautions when exercising their authorization or supervisory and enforcement responsibilities in respect of entities or individuals linked to non-signatory jurisdictions, given the more limited enforcement co-operation that those jurisdictions can provide. This measure shall take effect from 30 September 2013;

That all outstanding non-signatory members will be restricted from nominating candidates from their organization for election or appointment to leadership positions. The restriction will take effect from 30 September 2013 in respect of future positions as they arise. The suspension shall endure until those members become MMoU signatories;

That all outstanding non-signatory members in leadership positions will be asked to step down from 31 March 2014;

That participation of non-signatory members in IOSCO Policy Committees will be suspended with effect from 30 June 2014. The suspension shall endure until those members become MMoU signatories;

That the voting rights of all remaining non-signatory members, will be suspended with effect from 30 September 2014. The suspension shall endure until those members become MMoU signatories.