

# High Level Questionnaire

## Survey on the Implementation of the IOSCO Objectives and Principles of Securities Regulation

### Purpose of this Survey

At its 1998 Annual Conference, the International Organization of Securities Commissions (IOSCO) adopted the *Objectives and Principles of Securities Regulation*, setting forth 30 “core” principles of securities regulation.<sup>1</sup> As the global forum for securities regulators, IOSCO is committed to establishing and maintaining consistently high standards for the securities industry.<sup>2</sup> The principles are based on three fundamental objectives of securities regulation:

- the protection of investors<sup>3</sup>;
- ensuring that markets are fair, efficient and transparent; and
- the reduction of systemic risk.

The 30 core principles give practical effect to these three objectives. Together, the *Objectives and Principles* are intended to give guidance to regulators and serve as a yardstick against which to measure progress toward effective regulation.<sup>4</sup>

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<sup>1</sup> IOSCO members expressed their commitment to the objectives and principles set out in the document by agreeing to use their best efforts within each of their jurisdictions to ensure adherence to the principles. This commitment extended to seeking changes to legislation, policy or regulatory arrangements that may impede adherence to the principles.

<sup>2</sup> For convenience, the word “securities” is used in this document, where the context permits, to refer to the various market sectors. In particular, where the context permits, the word “securities” should be understood to include reference to derivatives. The same applies to the use of the words “securities regulation”, “securities industry” and “securities markets”.

<sup>3</sup> The term “investor” is intended to include customers or other consumers of financial services.

<sup>4</sup> The particular manner in which a jurisdiction implements the objectives and principles described in this document must have regard to the entire domestic context, including the relevant legal and commercial framework. Moreover, the markets themselves are in a constant state of development, requiring the content of regulation to change if it is to facilitate and properly regulate the changing markets.

The purpose of this survey is to provide a tool for evaluating the extent to which a jurisdiction's securities regulatory system currently is consistent with the *Objectives and Principles* and for identifying areas in which more progress may be made.

All IOSCO members have been asked to complete the survey to help IOSCO gain a better understanding of the extent to which and the means by which the securities regulatory system in each member jurisdiction is consistent with the *Objectives and Principles* and to identify areas in which more progress may be made. IOSCO recognizes that the means of implementation will vary across jurisdictions. The survey questions are designed to elicit an explanation of how the principles are being implemented, not to imply that a particular method of implementation is mandated by the *Objectives and Principles* document. IOSCO anticipates that it will update the survey on a regular basis to help track its members' continuing progress in meeting the *Objectives and Principles*.

It is also intended that there should be other more detailed surveys directed to implementation of particular *principles*.

The results of the survey and the developments in regulatory and supervisory standards may lead to additions and revisions and there may be a need to update the *Objectives and Principles* periodically.

### **Completing the Survey**

Please indicate on the first page of your response the name(s) of the regulator(s) responsible for completing the survey in your jurisdiction and the names of other regulators or responsible authorities that have contributed to the preparation of the response. Please include the name(s) of person(s) who may be contacted for follow-up questions.

All members of IOSCO have been asked to complete the survey. The following are some guidelines to help you complete the survey.

- The survey will be most useful if you answer as candidly and completely as possible, to give a clear picture of securities regulation in your country. IOSCO anticipates that it will update the survey on a regular basis, to help track IOSCO members' continuing progress in meeting the *Objectives and Principles*. You are encouraged to provide sufficient detail to ensure an adequate explanation of how your particular regulatory system is consistent with the objectives and principles. Please note that effective implementation may be evidenced by either a positive ("yes") or negative ("no") response to the survey questions, depending on the wording of a particular question. If a particular Objective or Principle does not apply to your jurisdiction, then you should explain how your jurisdiction addresses the subject matter of that Objective or Principle.
- Each principle is followed by a series of questions that highlight specific components of a securities regulatory system that would help implement that principle. In your responses, you should indicate whether those components currently are part of your regulatory system or are under consideration. If they are being considered, please indicate your timetable or explain the steps being taken to develop those components. Most questions call for a "yes" or "no" answer, but

you are encouraged to explain your answers in more detail and to include commentary on your future plans. If your answer indicates partial implementation of a Principle, you should, in describing the present position, consider whether it would assist a reader to have information in respect of any additional topics raised under the "not implemented" heading.

- In some areas, the *Objectives and Principles* may be satisfied by one of a variety of regulatory approaches and you are particularly encouraged to provide additional information to ensure an adequate explanation of how your regulatory system satisfies those *Objectives and Principles*. The securities markets are changing rapidly, including as a result of the impact of new technology. In preparing your answers you should give careful consideration to the adequacy of the existing regulatory arrangements in the light of those changes in the market.
- The first part of the survey asks you to identify all the entities that play a role in securities regulation in your country. In many jurisdictions, the responsibility for securities regulation is shared by more than one organization. For example, responsibility may be shared among a securities commission, a body administering company law; a stock exchange, a takeovers panel, and an entity regulating brokers. When you respond to the survey, your answers should not only reflect your organization's structure and operations, but also those of other entities in your jurisdiction that perform a function relevant to the matters addressed in the *Objectives and Principles*. When the questions use the term "securities regulator" they are referring to all of the entities that perform this function in your country. Each of your answers should identify which entity or entities you are referring to in that answer.
- Your survey responses should be divided into sections so it is clear to which principle they relate. The response to each question, or group of related questions, should be numbered to correspond to the number of the question you are answering.
- The full text of the *Objectives and Principles* is available on the IOSCO Internet Homepage, at [www.iosco.org](http://www.iosco.org). In completing the survey, you will need to refer to the full text of the *Objectives and Principles* and to relevant reports published by IOSCO, which are referenced in the footnotes to the *Objectives and Principles*. These documents provide solid guidance for answering the survey.

Here are some sample questions and three different sample answers to illustrate the level of detail that you should provide in responding to the survey.

*Principle 2:* The regulator should be operationally independent and accountable in the exercise of its functions and powers

2.1 Implemented

2.2 Partially Implemented

1. Please describe what has been done with regard to implementation and what remains to be done.

*A Financial Services Reform Act is being tabled in Parliament. Its approval would render the Commission operationally independent from external political and commercial interference.*

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

*Impediments should disappear with the legislative change proposed. We would welcome assistance in designing effective accountability frameworks.*

3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

*As soon as the Act is passed, we envisage a 4 year implementation period. This will include the review of our structure, operational framework and initial adjustments to regulation (see attached table).*

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2.3 Not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

*We are urging our government to draft a Financial Services Reform Act in order to overhaul the Financial System.*

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

*The major impediment is the lack of a suitable legal framework. We would welcome assistance in drafting a Financial Services Reform Act.*

3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

*As soon as the Act is passed, we envisage an 8 year implementation period. This will include the creation of an institutional framework, review of our structure, operational framework and developing a regulatory capability.*

These are only sample answers. Your actual answers to the questions will, of course, reflect your own circumstances.

## Principles relating to the Regulator

### ***Principle1: The responsibilities of the regulator should be clear and objectively stated.***

1. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

1.1 If implemented:

1. Please describe how this principle has been implemented.
  2. Are further improvements or changes proposed? If so, please describe.
- 

1.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.
  2. Do needed improvements or amendments relate primarily to:  
 Definition of responsibilities     Co-operation with other agencies     Legal protection of regulators and staff     Others (Please describe)
  3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
  4. Please describe your current plans for implementation and the timetable for giving effect to those plans.
- 

1.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:  
 Requesting changes to securities legislation or regulation     Seeking improvements in co-operation with other authorities     Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles relating to the Regulator

### ***Principle 2: The regulator should be operationally independent and accountable in the exercise of its functions and powers***

2. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

2.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

2.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.
  2. Do needed improvements or amendments relate primarily to:  
 Stable funding source     Independence from political or commercial interference     Public accountability of the regulator     Others (Please describe)
  3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
  4. Please describe your current plans for implementation and the timetable for giving effect to those plans.
- 

2.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

- Requesting changes to legislation or regulation     Seeking changes to funding arrangements     Seeking improvements to the accountability arrangements     Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
3. Please describe your current plans for implementation and the timetable for giving effect to those plans.



## Principles relating to the Regulator

***Principle 3: The regulator should have adequate powers, proper resources and the capacity to perform its functions and exercise its powers.***

3. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

3.1. If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

3.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.

2. Do needed improvements or amendments relate primarily to:

- Range of powers given to regulator (Identify the area)     Proper resources     Quality and training of staff     The skill level of the regulator's staff     Others (Please describe)

3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

4. Please describe your current plans for implementation and the timetable for giving effect to those plans.

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3.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

- Requesting changes to legislation or regulation     Seeking adequate resources     Upgrading staff skills     Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles relating to the Regulator

### ***Principle 4: The regulator should adopt clear and consistent regulatory processes.***

4. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

4.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

4.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.

2. Do needed improvements or amendments relate primarily to:

- Public disclosure and transparency of regulatory processes     Procedures for policy formulation     Others (Please describe)

3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

4. Please describe your current plans for implementation and the timetable for giving effect to those plans.

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4.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

- Public disclosure and transparency of regulatory processes     Procedures for policy formulation     Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles relating to the Regulator

***Principle 5: The staff of the regulator should observe the highest professional standards including appropriate standards of confidentiality.***

5. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

5.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

5.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.

2. Do needed improvements or amendments relate primarily to:

- Avoidance by staff of conflicts of interest     Observance of rules of procedural fairness, confidentiality, etc     The appropriate protection of confidential information     Others (Please describe)

3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

4. Please describe your current plans for implementation and the timetable for giving effect to those plans.

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5.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

- Introduction of Codes of Conduct or other written guidance for staff
- Requesting changes to legislation or regulation
- Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for Self-Regulation

***Principle 6: The regulatory regime should make appropriate use of Self-Regulatory Organizations (SROs) that exercise some direct oversight responsibility for their respective areas of competence, and to the extent appropriate to the size and complexity of the markets.***

6. Please briefly describe the role of SROs in your jurisdiction and explain, with respect to each SRO:
  - a. what functions it is required to perform;
  - b. the source of its powers to perform those functions; and
  - c. what general limitations, if any, exist on the scope of the powers of SROs.

## Principles for Self-Regulation

***Principle 7: SROs should be subject to the oversight of the regulator and should observe standards of fairness and confidentiality when exercising powers and delegated responsibilities.***

7. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

7.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

7.3 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.

2. Are needed improvements/amendments related primarily to:

- Requirements for authorisation of SROs     Arrangements for oversight of SROs     Co-operation between regulator and SROs     Others (Please describe)

3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

4. Please describe your current plans for implementation and the timetable for giving effect to those plans.

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7.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:



- Requesting changes to legislation or regulation
- Seeking changes to rules of SRO's
- Entering into arrangements between the Regulators and SROs to clarify roles and responsibilities
- Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for the Enforcement of Securities Regulation

### ***Principle 8: The regulator should have comprehensive inspection, investigation and surveillance powers.***

8. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

8.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

8.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.

2. Are needed improvements/amendments related primarily to:

- The powers to require information       Upgrading inspection, investigation and surveillance techniques, resources and equipment       Others (Please describe)

3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

4. Please describe your current plans for implementation and the timetable for giving effect to those plans.

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8.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

- Requesting changes to legislation or regulation
- Seeking the powers to carry out inspections, investigations or surveillance
- Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for the Enforcement of Securities Regulation

### ***Principle 9: The regulator should have comprehensive enforcement powers.***

9. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

9.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

9.2 If partially implemented:

1 Please describe what has been done with regard to implementation and what remains to be done.

2. Do needed improvements or amendments relate primarily to:

- The comprehensiveness of enforcement powers     Relationships with other agencies responsible for enforcement of the law     Others (Please describe)

3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

4. Please describe your current plans for implementation and the timetable for giving effect to those plans.

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9.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

- Requesting changes to legislation or regulation     Seeking improvements in co-operation between agencies with responsibility for the enforcement of the law     Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for the Enforcement of Securities Regulation

***Principle 10: The regulatory system should ensure an effective and credible use of inspection, investigation, surveillance and enforcement powers and implementation of an effective compliance program.***

10. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

10.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

10.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.

2. Do needed improvements or amendments relate primarily to:

- Resources for supervisory and enforcement activities     Expertise and skills of staff     Framework for supervisory and enforcement activities     Deployment of resources     Others (Please describe)

3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

4. Please describe your current plans for implementation and the timetable for giving effect to those plans.

10.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

- Requesting changes to legislation or regulation     Seeking improved resources     Upgrading staff skills     Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for Cooperation in Regulation<sup>5</sup>

***Principle 11: The regulator should have authority to share both public and non-public information with domestic and foreign counterparts.***

11. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

11.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

11.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.
  2. Do needed improvements or amendments relate primarily to:  
 Power to request from and disclose to domestic counterparts     Power to request from and disclose to foreign counterparts     Confidentiality / secrecy / privacy laws     Others (Please describe)
  3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
  4. Please describe your current plans for implementation and the timetable for giving effect to those plans.
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<sup>5</sup> The matters addressed in Principles 11- 13 were previously considered by IOSCO Members as part of the self-evaluation on “Commitment to Basic IOSCO Principles of High Regulatory Standards and Mutual Co-operation and Assistance”. Members may wish to refer to that self-evaluation in considering their answers to this part of the survey.



11.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

- |  |  |   |   |
|--|--|---|---|
| <input type="checkbox"/> Requesting changes to legislation or regulation | <input type="checkbox"/> Seeking powers to enter into co-operative arrangements with domestic counterparts | <input type="checkbox"/> Seeking powers to enter into co-operative arrangements with international counterparts | <input type="checkbox"/> Others (Please describe) |
|--|--|---|---|

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for Cooperation in Regulation

***Principle 12: Regulators should establish information sharing mechanisms that set out when and how they will share both public and non-public information with their domestic and foreign counterparts.***

12. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

12.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

12.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.
  2. Do needed improvements or amendments relate primarily to:  

<input type="checkbox"/>	Confidentiality/ Secrecy/Privacy Laws	<input type="checkbox"/>	MOUs or other co- operation arrangements with domestic counterparts	<input type="checkbox"/>	MOUs or other cooperation arrangements with foreign counterparts	<input type="checkbox"/>	Others (Please describe)
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  3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
  4. Please describe your current plans for implementation and the timetable for giving effect to those plans.
- 

12.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:  

<input type="checkbox"/>	Requesting changes to legislation or regulation.	<input type="checkbox"/>	Entering into MOU's or other co-operation arrangements .	<input type="checkbox"/>	Others (Please describe)
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2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for Cooperation in Regulation

***Principle 13: The regulatory system should allow for assistance to be provided to foreign regulators who need to make inquiries in the discharge of their functions and exercise of their powers.***

13. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

13.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

13.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.
  2. Do needed improvements or amendments relate primarily to:  
 Powers of the regulator to assist foreign regulators     MOUs or other co-operation arrangements     Others (Please describe)
  3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
  4. Please describe your current plans for implementation and the timetable for giving effect to those plans.
- 

13.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:  
 Requesting changes to legislation or regulation     Entering into MOUs or other co-operation arrangements     Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for Issuers

***Principle 14: There should be full, accurate and timely disclosure of financial results and other information which is material to investors' decisions.***

14. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

14.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

14.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.

2. Do needed improvements or amendments relate primarily to:

- |   |  |  |   |
|---|--|--|---|
| <input type="checkbox"/> Requirements mandating circumstances in which disclosure is required | <input type="checkbox"/> Content and timeliness of disclosures | <input type="checkbox"/> Developing sanctions or civil liability for nondisclosure and enforcement of requirements | <input type="checkbox"/> Others (Please describe) |
|---|--|--|---|

3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

4. Please describe your current plans for implementation and the timetable for giving effect to those plans.

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14.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

- Requesting changes to legislation or regulation       Sanctions / liability for non-disclosure       Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for Issuers

***Principle 15: Holders of securities in a company should be treated in a fair and equitable manner.***

15. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

15.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

15.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.

2. Do needed improvements or amendments relate primarily to:

- Disclosure of major shareholdings.     Protection of the interests of shareholders (in particular minority shareholders) in cash offers, offers by way of tender and exchange, business combinations and privatizations.     Others (Please describe)

3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

4. Please describe your current plans for implementation and the timetable for giving effect to those plans.

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15.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

- Requesting changes to legislation or regulation     Improving disclosure practices     Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for Issuers

### ***Principle 16: Accounting and auditing standards should be of a high and internationally acceptable quality.***

16. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

16.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

16.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.

2. Do needed improvements or amendments relate primarily to:

- Quality of accounting and auditing standards     Improved enforcement of compliance with standards     Independence and quality of audits     Others (Please describe)

3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

4. Please describe your current plans for implementation and the timetable for giving effect to those plans.

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16.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

- Developing or seeking the adoption of high quality accounting and auditing standards
- Enforcing compliance with standards
- Requesting changes to legislation or regulation
- Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for Collective Investment Schemes

***Principle 17: The regulatory system should set standards for the eligibility and the regulation of those who wish to market or operate a collective investment scheme.***

17. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

17.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

17.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.
  2. Do needed improvements or amendments relate primarily to:  
 Collective Investment Scheme (CIS) Regulation     Criteria for eligibility to market or operate a CIS     Supervision of CIS     Others (Please describe)
  3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
  4. Please describe your current plans for implementation and the timetable for giving effect to those plans.
- 

17.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:  
 Requesting changes to legislation or regulation     Supervision of CIS     Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for Collective Investment Schemes

***Principle 18: The regulatory system should provide for rules governing the legal form and structure of collective investment schemes and the segregation and protection of client assets.***

18. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

18.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

18.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.
  2. Do needed improvements or amendments relate primarily to:  
 Rules about legal form and structure of CIS     Segregation of client assets     Others (Please describe)
  3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
  4. Please describe your current plans for implementation and the timetable for giving effect to those plans.
- 

18.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:  
 Requesting changes to legislation or regulation     Establishing or amending requirements for segregation of client assets     Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for Collective Investment Schemes

***Principle 19: Regulation should require disclosure, as set forth under the principles for issuers, which is necessary to evaluate the suitability of a collective investment scheme for a particular investor and the value of the investor's interest in the scheme.***

19. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

19.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

19.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.
  2. Do needed improvements or amendments relate primarily to:  

<input type="checkbox"/> Requirements for disclosure of the legal form and structure of the CIS	<input type="checkbox"/> Requirements for disclosure of sufficient information to evaluate investments	<input type="checkbox"/> Powers to enforce disclosure requirements	<input type="checkbox"/> Others (Please describe)
---	--	--	---
  3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
  4. Please describe your current plans for implementation and the timetable for giving effect to those plans.
-



19.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

Establishing appropriate disclosure requirements     Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for Collective Investment Schemes

***Principle 20: Regulation should ensure that there is a proper and disclosed basis for asset valuation and the pricing and the redemption of units in a collective investment scheme.***

20. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

20.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

20.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.

2. Do needed improvements or amendments relate primarily to:

- Requirements for valuation and disclosure of the value of interests in a CIS     Capacity to enforce disclosure requirements     Requirements for pricing and redemption of units     Others (Please describe)

3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

4. Please describe your current plans for implementation and the timetable for giving effect to those plans.

---

20.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

- |  |  |   |  |   |
|--|--|---|--|---|
| <input type="checkbox"/> Requesting changes to legislation or regulation | <input type="checkbox"/> Establishing requirements for valuation and disclosure of the value of interests in a CIS | <input type="checkbox"/> Establishing rules for disclosure of pricing and valuation | <input type="checkbox"/> Capacity to enforce valuation and disclosure requirements | <input type="checkbox"/> Others (Please describe) |
|--|--|---|--|---|

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for Market Intermediaries

### ***Principle 21: Regulation should provide for minimum entry standards for market intermediaries.***

21. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

21.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

21.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.
  2. Do needed improvements or amendments relate primarily to:  
 Power to approve or reject applications to act as a market intermediary     Requirements for entry into the market     Others (Please describe)
  3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
  4. Please describe your current plans for implementation and the timetable for giving effect to those plans.
- 

21.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:  
 Seeking changes in legislation or regulation     Establishing minimum standards for licensing     Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for Market Intermediaries

***Principle 22: There should be initial and ongoing capital and other prudential requirements for market intermediaries that reflect the risks that the intermediaries undertake.***

22. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

22.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

22.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done. 2. Are needed improvements/amendments related primarily to:

- Initial and ongoing capital requirements     Prudential requirements for market intermediaries     Sanctions for failure to meet prudential requirements     Others (Please describe)

3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
  4. Please describe your current plans for implementation and the timetable for giving effect to those plans.
-

22.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

- Seeking amendments to legislation or regulation       Establishing adequate initial and ongoing capital requirements       Prudential requirements       Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for Market Intermediaries

***Principle 23: Market intermediaries should be required to comply with standards for internal organization and operational conduct that aim to protect the interests of clients, ensure proper management of risk, and under which management of the intermediary accepts primary responsibility for these matters.***

23. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

23.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

23.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.
  2. Do needed improvements or amendments relate primarily to:  
 The powers of the regulator to require proper standards of internal organization and conduct     The capacity of the regulator to monitor and enforce standards of control and conduct     Others (Please describe)
  3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
  4. Please describe your current plans for implementation and the timetable for giving effect to those plans.
-



### 23.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

- Seeking changes to legislation or regulation     Establishing or amending powers of the regulator's capacity to monitor and enforce standards of control and conduct     Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for Market Intermediaries

***Principle 24: There should be a procedure for dealing with the failure of a market intermediary in order to minimize damage and loss to investors and to contain systemic risk.***

24. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

24.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

24.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.

2. Do needed improvements or amendments relate primarily to:

- The powers of the regulator to take action when an intermediary fails     Rules and procedures for dealing with failures of intermediaries     Co-operation with other regulators     Others (Please describe)

3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

4. Please describe your current plans for implementation and the timetable for giving effect to those plans.

---

24.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

- Requesting changes to legislation or regulation       Implementing co-operative arrangements with other regulators to address the failure of intermediaries       Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for the Secondary Market

***Principle 25: The establishment of trading systems including securities exchanges should be subject to regulatory authorization and oversight.***

25. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

25.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

25.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.
  2. Do needed improvements or amendments relate primarily to:  
 The powers of regulator to authorize trading systems and exchanges     Minimum standards for the authorization of trading systems and exchanges     Powers to conduct proper ongoing supervision     Others (Please describe)
  3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
  4. Please describe your current plans for implementation and the timetable for giving effect to those plans.
-

### 25.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

- |   |   |   |   |
|---|---|---|---|
| <input type="checkbox"/> Seeking changes to legislation or regulation | <input type="checkbox"/> Establishing or amending powers for authorization and supervision of trading systems and exchanges | <input type="checkbox"/> Establishing minimum standards for trading systems and exchanges | <input type="checkbox"/> Others (Please describe) |
|---|---|---|---|

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for the Secondary Market

***Principle 26: There should be ongoing regulatory supervision of exchanges and trading systems which should aim to ensure that the integrity of trading is maintained through fair and equitable rules that strike an appropriate balance between the demands of different market participants.***

26. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

26.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

26.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.
  2. Do needed improvements or amendments relate primarily to:  
 Power to supervise on an ongoing basis compliance with approval conditions for trading systems and exchanges     Others (Please describe)
  3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
  4. Please describe your current plans for implementation and the timetable for giving effect to those plans.
-

26.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

- Requesting changes to legislation or regulation       Establishing or amending powers to supervise the activity of trading systems and exchanges       Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for the Secondary Market

### **Principle 27: Regulation should promote transparency of trading.**

27. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

27.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

27.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.
  2. Do needed improvements or amendments relate primarily to:  
 Availability of pre-trade and post-trade information     Timely access and availability of information about trading     Others (Please describe)
  3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?
  4. Please describe your current plans for implementation and the timetable for giving effect to those plans.
-



27.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

- Requesting changes to legislation or regulation     Making available pre-trade and post-trade information     Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for the Secondary Market

**Principle 28:** *Regulation should be designed to detect and deter manipulation and other unfair trading practices.*

28. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

28.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

28.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.

2. Do needed improvements or amendments relate primarily to:

- The law or regulations governing market manipulation and other unfair trading practices     Capacity to monitor market trading     Enforcement powers and resources     Others (Please describe)

3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

4. Please describe your current plans for implementation and the timetable for giving effect to those plans.

---

28.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

- |   |  |   |   |
|---|--|---|---|
| <input type="checkbox"/> Seeking changes to legislation or regulation | <input type="checkbox"/> Establishing or amending the capacity to monitor market trading | <input type="checkbox"/> Establishing or amending enforcement powers. | <input type="checkbox"/> Others (Please describe) |
|---|--|---|---|

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for the Secondary Market

**Principle 29: Regulation should aim to ensure the proper management of large exposures, default risk and market disruption.**

29. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

29.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

29.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.

2. Are needed improvements/amendments related primarily to:

- Definition of large exposures     Monitoring of large exposures     Procedures relating to defaults and market disruption     Co-operation between market authorities     Others (Please describe)

3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

4. Please describe your current plans for implementation and the timetable for giving effect to those plans.

---

29.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

- Requesting changes to legislation or regulation       Improved co-operation between market authorities       Establishing the definition of large exposures       Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

## Principles for the Secondary Market

***Principle 30: Systems for clearing and settlement of securities transactions should be subject to regulatory oversight, and designed to ensure that they are fair, effective and efficient and that they reduce systemic risk.***

30. What is your assessment of the current status of your jurisdiction regarding implementation of this Principle?

- Implemented     Partially implemented     Not Implemented
- 

30.1 If implemented:

1. Please describe how this principle has been implemented:
  2. Are further improvements or changes proposed? If so, please describe.
- 

30.2 If partially implemented:

1. Please describe what has been done with regard to implementation and what remains to be done.

2. Are needed improvements/amendments related primarily to:

- |  |  |   |   |
|--|--|---|---|
| <input type="checkbox"/> The power of regulator to oversee clearing and settlement systems | <input type="checkbox"/> The power of the regulator to set operational standards for clearing and settlement systems | <input type="checkbox"/> Adequate rules relating to margining / netting / short selling etc | <input type="checkbox"/> Others (Please describe) |
|--|--|---|---|

3. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

4. Please describe your current plans for implementation and the timetable for giving effect to those plans.

---

### 30.3 If not implemented:

1. What steps are you taking to ensure that implementation efforts are initiated in the near future:

- Requesting changes to legislation or regulation
- Establishing powers to set operational standards
- Establishing powers to supervise clearance and settlement systems
- Others (Please describe)

2. Please describe the major impediments that exist with regard to implementation. Are there areas in which you would welcome assistance in order to achieve full implementation?

3. Please describe your current plans for implementation and the timetable for giving effect to those plans.

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