

MEDIA RELEASE



International Organization of Securities Commissions
Organisation internationale des commissions de valeurs
Organização Internacional das Comissões de Valores
Organización Internacional de Comisiones de Valores

IOSCO/MR/35/2015

Madrid, 3 September 2015

IOSCO publishes review of Implementation of Incentive Alignment Recommendations for Securitisation

The Board of the International Organization of Securities Commissions (IOSCO) today published its final report on the [Peer Review of Implementation of Incentive Alignment Recommendations for Securitisation](#), which describes the implementation progress made by 25 jurisdictions in adopting legislation, regulation and other policies in relation to incentive alignment in securitisation.

This report responds to a request from the G20 Leaders in September 2013 for IOSCO to conduct a peer review on the implementation of incentive alignment regimes, including risk retention requirements. IOSCO published the Incentive Alignment Recommendations in November 2012, as part of its final report on *Global Developments in Securitisation Regulations*.

The report covers the three Incentive Alignment Recommendations in the 2012 report, which call for national authorities to:

- evaluate incentives across the securitisation value chain, formulate and implement approaches to incentive alignment (Recommendation 1);
- set out the elements of the incentive alignment approach, including risk retention (Recommendation 2); and

Calle Oquendo 12
28006 Madrid
ESPAÑA
Tel.: + 34 91 417.55.49 Fax: + 34 91
555.93.68
mail@oicv.iosco.org - www.iosco.org

MEDIA RELEASE



International Organization of Securities Commissions
Organisation internationale des commissions de valeurs
Organização Internacional das Comissões de Valores
Organización Internacional de Comisiones de Valores

- seek to minimise the potentially adverse effects to cross-border securitisation transactions resulting from differences in approaches to incentive alignment and risk retention (Recommendation 3).

The Review reports progress in implementation as of 30 April 2015 (the reporting date). It does not assess the consistency of implementation measures against the recommendations in the 2012 IOSCO Report. The Review found that participating jurisdictions have made significant but mixed progress in implementing the Incentive Alignment Recommendations. The Review reported progress only on implementation of Recommendations 1 and 2. A review of implementation of Recommendation 3 was considered premature. As of the reporting date, many jurisdictions were still in the process of implementing the recommendations or had not yet begun.

Of the 25 respondents, only five reported having completed implementation of all measures to implement Incentive Alignment Recommendations covered by this report in respect of the whole securitisation market.

European Union jurisdictions and the United States were generally further progressed in their implementation than many jurisdictions with smaller securitisation markets.

The Review Team was led by ASIC of Australia and drew its members from ASIC, AFM Netherlands, Japan FSA, UK FCA, FSB South Africa, CNMV Spain and the IOSCO General Secretariat.

Calle Oquendo 12
28006 Madrid
ESPAÑA
Tel.: + 34 91 417.55.49 Fax: + 34 91
555.93.68
mail@oicv.iosco.org - www.iosco.org

MEDIA RELEASE



International Organization of Securities Commissions
Organisation internationale des commissions de valeurs
Organização Internacional das Comissões de Valores
Organización Internacional de Comisiones de Valores

NOTES TO THE EDITORS

1. IOSCO is the leading international policy forum for securities regulators and is recognized as the global standard setter for securities regulation. The organization's membership regulates more than 95% of the world's securities markets in more than 115 jurisdictions and it continues to expand.
2. The IOSCO Board is the governing and standard-setting body of the International Organization of Securities Commissions (IOSCO). The Board is made up of 34 securities regulators. Mr Greg Medcraft, chairman of the Australian Securities and Investments Commission, is the chair of the IOSCO Board. The members of the IOSCO Board are the securities regulatory authorities of Australia, Belgium, Brazil, China, Egypt, France, Germany, Greece, Hong Kong, India, Italy, Japan, Kenya, Korea, Malaysia, Mexico, the Netherlands, Nigeria, Ontario, Pakistan, Peru, Quebec, Saudi Arabia, Singapore, South Africa, Spain, Sweden, Switzerland, Thailand, Trinidad and Tobago, Turkey, United Kingdom and the United States.
3. The Growth and Emerging Markets Committee is the largest Committee within IOSCO, representing 75 per cent of the IOSCO membership. Mr. Ranjit Ajit Singh, Chairman, Securities Commission, Malaysia, and Vice Chair of the IOSCO Board, is the Chair of the GEM. The Committee endeavors to promote the development and greater efficiency of emerging securities and futures markets by establishing principles and minimum standards, providing training programs and technical assistance for members and facilitating the exchange of information and transfer of technology and expertise.
4. IOSCO aims through its permanent structures:

Calle Oquendo 12
28006 Madrid
ESPAÑA
Tel.: + 34 91 417.55.49 Fax: + 34 91
555.93.68
mail@oicv.iosco.org - www.iosco.org

MEDIA RELEASE



International Organization of Securities Commissions
Organisation internationale des commissions de valeurs
Organização Internacional das Comissões de Valores
Organización Internacional de Comisiones de Valores

- to cooperate in developing, implementing and promoting adherence to internationally recognized and consistent standards of regulation, oversight and enforcement in order to protect investors, maintain fair, efficient and transparent markets, and seek to address systemic risks;
- to enhance investor protection and promote investor confidence in the integrity of securities markets, through strengthened information exchange and cooperation in enforcement against misconduct and in supervision of markets and market intermediaries; and
- to exchange information at both global and regional levels on their respective experiences in order to assist the development of markets, strengthen market infrastructure and implement appropriate regulation.

MEDIA ENQUIRIES

Carlta Vitzthum
Outside office hours
Email:
Website:
Follow IOSCO on Twitter

+ 34 91 787 0419
+ 34 697 449 639
carlta@iosco.org
www.iosco.org
@IOSCOPress

Calle Oquendo 12
28006 Madrid
ESPAÑA
Tel.: + 34 91 417.55.49 Fax: + 34 91
555.93.68
mail@oicv.iosco.org - www.iosco.org