

# 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  
المنظمة الدولية لهيئات الأوراق المالية

IOSCO/MR/21/2017

Madrid, 27 July 2017

## **IOSCO Publishes Thematic Review of Client Asset Protection Recommendations**

The Board of the International Organization of Securities Commissions (IOSCO) today published its Assessment Committee's [\*Thematic Review of the Adoption of the Principles set forth in IOSCO's Report: Recommendations Regarding the Protection of Client Assets\*](#) (the Principles).

The thematic review identifies the implementation progress of 38 IOSCO members from 36 jurisdictions in adopting legislation, regulation and other policies in relation to intermediaries holding client assets addressed by the Principles for the protection of client assets.

The review reports on the status of adoption measures taken by participating jurisdictions and finds that a majority have generally adopted a client asset protection regime described by the Principles. Implementation progress varied by jurisdiction and across the eight Principles. By jurisdiction, progress was most advanced in the EU member jurisdictions and North America. In some other regions, including Latin America, implementation progress was less advanced. The most implemented Principles were 2, 7 and 8 on Statements of Accounts, Regulators' Oversight of Compliance, and Information on Foreign Jurisdictions, respectively. In contrast, Principle 3 on Arrangements to Safeguard Clients Assets was the least implemented.

The report includes a detailed discussion of implementation on a Principle-by-Principle basis and also sets out overarching themes and describes differences in approaches and adoption measures taken by participating jurisdictions under each of the eight Principles.

The review was a desk-based exercise, using responses provided by jurisdictions to a self-assessment questionnaire. This thematic review was conducted by a Review Team of members nominated by member organizations from Securities and Exchange Board of India (SEBI), Commissione Nazionale per le Società e la Borsa, Italy (Consob), the Netherlands Authority for the Financial Markets (AFM), Ontario Securities Commission (OSC), UK Financial Conduct Authority (FCA), US Securities and Exchange Commission (SEC), and the IOSCO General Secretariat. The Review Team was chaired by Mr. George Lavdas of the US SEC. The team members collectively brought a broad range of knowledge and practical expertise to the review exercise.

## **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) and is made up of 34 securities regulators. Ashley Alder, the Chief Executive Officer of the Securities and Futures Commission (SFC) of Hong Kong, is the Chair of the IOSCO Board. The members of the IOSCO Board are the securities regulatory authorities of Argentina, Australia, Belgium, Brazil, China, Egypt, France, Germany, Hong Kong, India, Indonesia, Ireland, Italy, Jamaica, Japan, Kenya, Malaysia, Mexico, Nigeria, Ontario, Pakistan, Peru, Quebec, Saudi Arabia, Singapore, South Korea, Spain, Sweden, Switzerland, the Netherlands, Turkey, the United Kingdom, and the United States of America.
3. The Growth and Emerging Markets Committee is the largest Committee within IOSCO, representing close to 80 per cent of the IOSCO membership, including 11 of the G20 members. Ranjit Ajit Singh, Chairman of the Securities Commission Malaysia and Vice Chair of the IOSCO Board, is the Chair of the GEM Committee. The Committee brings members from growth and emerging markets together and communicates members' views and facilitates their contribution across IOSCO and at other global regulatory discussions. The GEM Committee's strategic priorities are focused, among others, on risks and vulnerabilities assessments, policy and development work affecting emerging markets, and regulatory capacity building.
4. IOSCO aims through its permanent structures:
  - to cooperate in developing, implementing and promoting 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.

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