The Research Function was established in 2010 to assist IOSCO in its efforts to identify, monitor and manage systemic risks. The IOSCO Strategic Direction 2015-2020 expanded the scope of this mission to go beyond financial stability to include IOSCO’s two other core objectives: investor protection and fair, efficient and transparent markets.

In November 2017, IOSCO divided the Research Department into two new departments: Emerging Regulatory Issues Department (ERI) and Market Intelligence and Data Analysis (MIDAT).

The identification of global risks in capital markets

ERI supports the IOSCO Board in its identification, assessment and prioritization of vulnerabilities, trends and risks in the capital markets. ERI coordinates the Secretariat’s input to the work of the IOSCO Committee on Emerging Risks (CER) and leads IOSCO’s contribution to the FSB’s key risk identification and risk assessment mechanisms. It provides input to IOSCO’s contribution to the FSB’s Analytical Group on Vulnerabilities and associated sub-committees (AGV FIN) and supports IOSCO’s participation in the Standing Committee on Supervisory and Regulatory Cooperation and the Standing Committee on Assessment of Vulnerabilities.
ERI’s core function is to work closely with the CER to provide thought leadership to help shape Board priorities through the development of the Risk Outlook. ERI works hand in hand with the CER and actively assists the committee as it develops the Risk Outlook. It seeks to ensure that the vulnerabilities, trends and key risks identified in the document are converted into tangible ideas for the IOSCO Board to consider when setting its forward-looking policy agenda.

In 2018, IOSCO redesigned the Risk Outlook to be more practical and outcomes focused and to strengthen the interaction between the research function, the Board and its committees. For the first time, IOSCO supplemented the top-down approach with a bottom-up view of key sectoral risks by drawing extensively on the expertise of the policy committees, the Growth and Emerging Markets Committee and the Affiliate Members Consultative Committee. The CER delivered the new document to the Board in October 2018 and the priorities it identified laid the foundation for the 2019 Work Program.

The Risk Outlook fulfilled IOSCO’s primary objective of delivering a securities market centric document for Board discussions on priority-setting for IOSCO’s policy and standard-setting work. The Workplan serves to support the external communication of IOSCO’s strategy.

### Data collection and governance

MIDAT provides IOSCO committees and the Secretariat staff, including the Chair and the Secretary General, with market intelligence, data and data analysis, often in response to requests. In 2018, MIDAT provided key data and analytical input to the Risk Outlook.

### Outreach, debate, education and training and capacity building

In 2018, MIDAT took part in many education and training initiatives on behalf of IOSCO, including the Global Certificate Program Seminar Training Program on Asset Management and Financial Stability Institute training.