The AMCC´s objectives are aligned with IOSCO´s objectives to enhance investor protection, maintain fair, efficient and transparent markets and address systemic risk. As detailed further below, 2019 saw an increase in the AMCC’s contributions to IOSCO’s Committee on Emerging Risks, policy committees and workstreams in furtherance of IOSCO’s priorities and objectives.

**Value of AMCC’s breadth, depth and diversity**

IOSCO’s 2019 Risk Outlook was redesigned to be more outcomes-focused and to strengthen the interaction between the research function, the Board and its committees, including the Affiliate Members Consultative Committee (AMCC). For the first time, IOSCO supplemented its top-down approach for the 2019 Risk Outlook with a bottom-up view of key risks by drawing extensively on the expertise of policy committees, the Growth and Emerging Markets Committee and the AMCC. Given that the Risk Outlook Report establishes the foundation for IOSCO’s work program, a top priority of the AMCC is to contribute in a meaningful way to the Risk Outlook development process.

The breadth, depth and diversity of the AMCC’s over 65 affiliate members provide a wide-angle lens that captures a range of potential risks that could impact the financial markets. AMCC members represent self-regulatory organizations (SROs), exchanges, market infrastructures, investor protection and compensation funds, associations of regulated entities as well as other bodies with an interest in securities and derivatives regulation. The AMCC’s valuable front-line regulatory expertise and market insights are critical inputs to the development of the annual Risk Outlook, allowing the AMCC to make significant contributions to IOSCO’s priorities and ongoing policy and standard-setting work.

**AMCC Receives Important Assignment Regarding Market Fragmentation**

The AMCC made a significant contribution this year that is detailed in IOSCO’s June 2019 report titled *Market Fragmentation and Cross-border Regulations*. This report focuses on market fragmentation that arises as an unintended and harmful consequence of financial regulation. The report acknowledges that IOSCO is unique among international standard-setting bodies in having a committee made up largely of market participants. The report states further that IOSCO’s AMCC should play an increasing and more specific role in identifying instances where market fragmentation occurs. In addition to providing IOSCO with input from market participants, the AMCC was asked to prepare an evidence-based report for the IOSCO Board on an annual basis to ensure that the issue of harmful fragmentation remains a regular item on the IOSCO agenda. This annual report should describe where AMCC members have identified cases of harmful fragmentation that have a cross-border element.

**Significant Contributions**

**Investor Protection:** In support of this important objective, approximately half of the AMCC membership participated in the third annual IOSCO World Investor Week (WIW) to promote investor education and protection. Events ranged from webinars, panel
discussions, social media campaigns, participating in the opening ceremonies and ring the bell events. Specifically, the World Federation of Exchanges, an AMCC Member, partnered with IOSCO to launch the inaugural Ring the Bell for Financial Literacy as part of the WIW 2019 event. Close to forty exchanges and CCPs, 15 of which were AMCC members, participated in this important event. This initiative is an excellent example of exchanges and market infrastructures working together with regulators to promote financial literacy.

Emerging Risks: AMCC members increased their contributions this year to the development of IOSCO’s 2020 Annual Risk Outlook. AMCC members provided input on emerging regulatory issues, risks, trends and vulnerabilities. AMCC members also submitted issue notes covering topics including benchmarks, CCP risk management, best practices, recovery and resolution, initial margin for non-centrally cleared swaps phase V, market fragmentation, cyber-resilience and repo market risks and vulnerabilities.

Sustainable Finance: Understanding how sustainability issues relate to our financial markets is an important topic for many AMCC members and, therefore, a focus of AMCC activities. In addition to including this topic on the AMCC’s meeting agenda, AMCC Vice Chair Nandini Sukumar delivered remarks at IOSCO’s Sustainable Finance Network’s (SFN) stakeholders meeting, and many AMCC members provided their industry insights to SFN.
Capacity Building: To contribute to well-regulated markets, the AMCC provides an annual regulatory training program to share AMCC members’ expertise with all IOSCO members. In 2019, the 12th edition of the two-day Regulatory Staff Training was held at IOSCO’s headquarters in Madrid. More than 70 participants and 29 speakers from jurisdictions worldwide attended the program. The seminar featured panels about retail investor protection, operational resilience and cyber-security, emerging markets, derivatives basics and the related regulatory framework, enforcement, Fintech, financial benchmarks and ethics. Each topic addressed elements and best practices of an effective regulatory program, offered case studies and practical applications of the material and provided insight into timely industry developments.

Looking Ahead

Moving forward, the AMCC will continue to fulfill its important consultative role within IOSCO and contribute to IOSCO’s objectives of enhancing investor protection, maintaining fair, efficient and transparent markets and addressing systemic risk.

Thank You

In closing, I want to express my gratitude to all AMCC members for making IOSCO a priority and committing valuable resources and time to provide meaningful input to IOSCO’s work. I would also like to thank the IOSCO Secretary General and the General Secretariat staff and the AMCC Vice Chair for their expertise, support and coordination.