The Conference was an outstanding success with close to 500 delegates in attendance from around the world who had the opportunity to meet and exchange information with industry stakeholders and representatives from the global financial services.

The 2005 Annual Conference was particularly noteworthy for the focus it brought to bear on issues related to raising the quality of securities market regulation and in strengthening consultation and cooperation among regulators.

This followed the debate and adoption of a number of resolutions based on operational measures to strengthen the effectiveness of the Organization. A crucial part of this strategy is the IOSCO Multilateral Memorandum Concerning Consultation and Cooperation and the Exchange of Information (IOSCO MOU) as the international benchmark for cross-border cooperation and exchange of information.

The formal adoption of this strategy means that by January 2010 all ordinary members and associate members with primary responsibility for securities regulation in their jurisdictions should have applied for and been accepted as signatories or at least expressed a commitment to work to remove the legal obstacles enabling them to become signatories to the MOU.

Although these resolutions represented a significant landmark moment for IOSCO, their adoption is merely the initial part of a complex and challenging process. I am confident that the Organization is well prepared to follow through with this process in the most effective manner.

It is in that regard significant that the adoption of these resolutions was coupled with formal proposals to provide more training and technical assistance to members so that progress is made in capacity building within member agencies. As a result, training and technical assistance have become even more integral to the IOSCO mission as well as to the role of the General Secretariat.

In the period since these decisions were taken, the General Secretariat has engaged in an extensive dialogue with members who have yet to become signatories to the IOSCO MOU in order to assess the level of technical assistance that some of them might require.
The results to date have been very encouraging. The overall objective is to ensure that IOSCO collectively knows exactly where each member stands with respect to the IOSCO MOU and to do everything possible to help those members who need assistance to meet the terms of the related April 2005 Presidents Committee resolution.

An important counterpart to these efforts is the IOSCO Principles Assessment and Implementation Program, which involves undertaking assisted assessments in various jurisdictions in order to develop consistency in the use of the methodology across the membership.

For IOSCO, the systematic implementation of the full spectrum of standards laid out in the IOSCO Objectives and Principles of Securities Regulation (IOSCO Principles) within the jurisdictions of its members is now a clear operational priority.

To date, several assisted assessments have been carried out or are on-going in the regions of the IOSCO membership. Members have benefited greatly from participation in this program. In some instances, specifically tailored action plans are being developed and/or implemented in order to address and overcome regulatory deficiencies.

This Program has clearly demonstrated the practical usefulness of the IOSCO Methodology and underscored its value as an important instrument in assessing the level of implementation of the full spectrum of IOSCO Principles in any given jurisdiction.

For the General Secretariat it is anticipated that this focus on the IOSCO Principles and the IOSCO MOU will place an even higher priority on assisting members with training programs and technical assistance in order to ensure a greater level of implementation of the Principles in their respective jurisdictions.

Events such as the Seminar Training Program (STP), which took place during October 2005, along with other regional seminars now play an increasingly important part of the annual agenda for IOSCO.

In this vein, the 2005 STP which took place at the Madrid IOSCO Headquarters adopted the theme of “The Cooperation and Exchange of Information among Securities Regulators”. The central focus was the consideration of how the IOSCO MOU can be used as a practical instrument to improve cross-border cooperation across the membership.

Indeed the STP along with a number of our other regional training seminars was structured around information sessions which provided participants with the opportunity to learn about all aspects of the IOSCO MOU in detail. In this regard, the presentations from members who have already gone through the application process and who were able to share their experiences in becoming signatories proved particularly useful.

The 2005 STP was conducted with some financial support of the World Bank to which IOSCO expresses its appreciation.

Throughout the year, the General Secretariat also played an active part within and in support to the meetings of the numerous Standing Committees, Working Groups and Task Forces that took place. This was in addition to the intense involvement of the Secretariat in the preparations for the Annual Conference and the meetings of the Executive Committee, Technical Committee and Emerging Markets Committee which took place at various times throughout the year. The upgrading process of the IT General Secretariat systems has continued with the objective of reinforcing the business continuity plan of the Organization and of supporting the development of a number of specialized computerized databases.
During the year, a number of new members were welcomed into the Organization including the Securities Commission of Armenia, the Financial Services Commission of Gibraltar, the Securities Commission of Montenegro and the Dubai Financial Services Authority. The comprehensive extent of the current IOSCO membership clearly demonstrates that it truly represents the international community of securities regulators. The Superintendencia Financiera de Colombia (SFC) has unfortunately continued to be the object of a sanction imposed by the Presidents Committee, in accordance with Part 12 of the By-Laws, for repeated failure to pay its current outstanding balance of unpaid financial contributions to the Organization. Its voting right was suspended in 2002 and that situation has continued since. Related discussions with the SFC are however being actively pursued and we are hopeful that this issue can be satisfactorily resolved in 2006.

In closing, it should be noted that the Chairs of the Executive Committee, Technical Committee and the Emerging Markets Committee have consistently been strong supporters of an effective and well resourced General Secretariat. Accordingly, I take this opportunity to note that the achievements of the General Secretariat during the year could not have been delivered without their support and for that, I thank them.

I also wish to express my appreciation to the staff of the General Secretariat for their professionalism and hard work in ensuring that the Organization is well placed to carry out its mandate.

Given the challenges of the resolutions which were adopted during the year, the workload of the General Secretariat has increased and also resulted in further demand from members for support and assistance. I am pleased to say that the staff has risen to the occasion and coped admirably.

We look forward to another challenging year ahead.

Philippe Richard
Secretary General