

MEDIA RELEASE



International Organization of Securities Commissions
Organisation internationale des commissions de valeurs
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المنظمة الدولية لهيئات الأوراق المالية

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IOSCO publishes key considerations for regulating crypto-asset trading platforms

The Board of the International Organization of Securities Commissions today published a [report](#) that describes the issues and risks associated with crypto-asset trading platforms (CTPs) and sets out key considerations to assist regulatory authorities in addressing these issues.

The development of crypto-assets is an important area of interest for regulatory authorities around the world and has been identified in the [IOSCO work program](#) as an on-going Board priority in 2020. The report published today, titled *Issues, Risks and Regulatory Considerations Relating to Crypto-Asset Trading Platforms*, describes the issues that IOSCO has identified regarding CTPs. The report sets out key considerations intended to assist regulatory authorities in evaluating CTPs within the context of their regulatory frameworks.

The key considerations relate to:

- Access to CTPs,
- Safekeeping of participant assets, including custody arrangements,
- Identification and management of conflicts of interest,
- Transparency of operations,
- Market integrity, including the rules governing trading on the CTP, and how those rules are monitored and enforced,
- Price discovery mechanisms,
- Technology, including resiliency and cyber security.

Many of the issues related to the regulation of CTPs are common to traditional securities trading venues but may be heightened by the business models used by CTPs. Where a

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regulatory authority has determined that a crypto-asset is a security and falls within its remit, the basic principles or objectives of securities regulation should apply. Accordingly, the report states that the IOSCO Principles and Methodology provide useful guidance for regulatory authorities considering the identified issues and risks.

IOSCO will continue to monitor the evolution of the markets for crypto-assets to ensure the issues, risks and key considerations identified in this report remain relevant and appropriate. IOSCO delivered the consultation report to the G20 meeting in Osaka in June 2019. The G20 issued a final communique that welcomed the *“on-going work by the Financial Stability Board (FSB) and other standard setting bodies and asked them to advise on additional multilateral responses as needed.”*

To prepare this report, IOSCO issued a consultation report based on a survey of the regulatory approaches to CTPs that member jurisdictions are currently applying or considering. The final report draws on the responses to this consultation and includes a summary of the survey’s findings.

NOTES TO THE EDITORS

About IOSCO

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. Mr. Ashley Alder, the Chief Executive Officer of the Securities and Futures Commission 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, Japan, Korea, Malaysia, Mexico, Ontario, Pakistan, Portugal, Quebec, Saudi

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Arabia, Singapore, South Africa, Spain, Sweden, Switzerland, Turkey, the United Arab Emirates, the United Kingdom, and the United States of America (both the U.S. Commodity Futures Trading Commission and U.S. Securities and Exchange Commission). The Chair of the European Securities and Markets Authority and the Chair of IOSCO's Affiliate Members Consultative Committee are also observers.

3. The Growth and Emerging Markets (GEM) Committee is the largest committee within IOSCO, representing close to 80 per cent of the IOSCO membership, including 11 of the G20 members. Dr. Obaid Al Zaabi, Chief Executive Officer, Securities and Commodities Authority, United Arab Emirates, 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 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.

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