

MEDIA RELEASE



International Organization of Securities Commissions
Organisation internationale des commissions de valeurs
Organização Internacional das Comissões de Valores
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المنظمة الدولية لهيئات الأوراق المالية

IOSCO/MR12/2023

Madrid, 23 May 2023

IOSCO Sets the Standard for Global Crypto Regulation

IOSCO, the global standard setter for securities markets, has today [issued for consultation](#) detailed recommendations to jurisdictions across the globe as to how to regulate crypto-assets.

In a major initiative designed to improve global standards of regulation of crypto-assets, IOSCO has set out how clients should be protected and how crypto trading should meet the standards that apply in public markets.

Jean-Paul Servais, Chairperson of IOSCO said: *“As the G7 Finance Ministers and Central Bank communiqué of 13 May has once again reminded us, the time has come to put an end to the regulatory uncertainty that characterises crypto activities. Today’s consultation paper received unanimous support from the IOSCO Board and is the outcome of an intense period of regulatory risk analysis, information sharing and capacity building. As such, it will mark a turning point in addressing the very clear and proximate risks to investor protection and market integrity risks.*

With 130 members around the world regulating more than 95% of the world’s securities markets, IOSCO is best positioned to deliver an effective and globally consistent set of policy recommendations. The strong support of the IOSCO Board will ensure the timely implementation of the recommendations by all IOSCO members to limit the risk of regulatory arbitrage. Strengthened cooperation between our members while supervising these markets through a global framework will contribute to protecting investors better and to credible deterrence of non-compliant actors.”

LIM Tuang Lee, Chairperson of the IOSCO Board-Level Fintech Task Force, set up to develop the policy recommendations, said: *“The Recommendations in IOSCO’s Consultation Report set expectations and guardrails to regulate and supervise crypto-asset markets, which are inherently cross-border in nature. Crypto-asset service providers need to address unacceptable conflicts of interest and take far more seriously the right of clients to have their monies and assets carefully minded and accounted for. It is time for Regulators to work together across borders and various jurisdictions to ensure that investor protection and market integrity are upheld in crypto-asset markets.”*

IOSCO has opened a public consultation on its recommendations and aims to finalise them by the end of the year. Thereafter, it expects that jurisdictions will review their current regulatory frameworks to ensure that they comply with the standards and fix any gaps promptly.

Comments on the consultation paper should be sent to cryptoassetsconsultation@iosco.org on or before 31 July 2023.

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NOTES TO THE EDITORS

1. The Recommendations cover six key areas, consistent with the IOSCO Objectives and Principles for Securities Regulation and relevant supporting IOSCO standards, recommendations, and good practices: 1) Conflicts of interest arising from vertical integration of activities and functions, 2) Market manipulation, insider trading and fraud, 3) Cross-border risks and regulatory cooperation; 4) Custody and client asset protection, 5) Operational and technological risk, and 6) Retail access, suitability, and distribution.
2. 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 some 130 jurisdictions, and it continues to expand.
3. The IOSCO Board is the governing and standard-setting body of IOSCO and is made up of 35 securities regulators. Mr. Jean-Paul Servais, the Chair of Belgium's Financial Services and Markets Authority (FSMA) is the Chair of the IOSCO Board. The members of the IOSCO Board are the securities regulatory authorities of Australia, Bahamas, Bangladesh, Belgium, Brazil, China, Dubai, Egypt, France, Germany, Greece, Hong Kong, India, Ireland, Italy, Japan, Korea, Kuwait, Malaysia, Mauritius, Mexico, Morocco, the Netherlands, Ontario, Peru, Quebec, Saudi Arabia, Singapore, Spain, Sweden, Switzerland, Türkiye, 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.
4. The Growth and Emerging Markets (GEM) Committee is the largest committee within IOSCO, representing more than 75% per cent of the IOSCO membership, including 10 of the G20 members. Dr Mohamed Farid Saleh, Executive Chairman of the Financial Regulatory Authority, Egypt is 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, amongst others, on risks and vulnerabilities assessments, policy and development work affecting emerging markets, and regulatory capacity building.
5. IOSCO aims through its permanent structures:
 - to cooperate in developing, implementing and promoting internationally recognized and consistent standards of regulation, oversight and enforcement 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

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- to exchange information at both global and regional levels on their respective experiences to assist the development of markets, strengthen market infrastructure and implement appropriate regulation

MEDIA ENQUIRIES

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