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IOSCO Publishes Final Report on Regulatory Implications and Good Practices on the Evolution of Market Structures

IOSCO has today published its [Final Report on the Evolution in the Operation, Governance, and Business Models of Exchanges](#).

The Final Report addresses significant changes in exchange business models and market structures, highlighting the impact of increased competition, technological advancements, and cross-border activity on exchanges.

Additionally, it outlines a set of six good practices for regulators to consider in the supervision of exchanges that cover three key areas:

- Organization of Exchanges and Exchange Groups
- Supervision of Exchanges and Trading Venues within Exchange Groups
- Supervision of Multinational Exchange Groups

The good practices are also complemented by a non-exclusive list of supervisory tools used by IOSCO jurisdictions to address the issues under discussion, in the form of “toolkits”.

Isadora Tarola, Chair of IOSCO's Committee on Regulation of Secondary Markets (Committee 2), said: " The evolving landscape of exchanges presents new regulatory challenges. The good practices in this report will help regulators maintain oversight while ensuring market integrity and investor protection. IOSCO remains committed to supporting these efforts."

Notes to Editors

1. IOSCO is the leading international policy forum for securities regulators and the global standard setter for financial markets regulation. It develops, implements and promotes adherence to internationally recognized standards for financial markets regulation and works closely with other international organizations on the global regulatory reform agenda.

2. The organization's membership regulates more than 95% of the world's securities markets in some 130 jurisdictions. By providing high quality technical assistance, education and training, IOSCO supports its members to come together to achieve the following three objectives.

- Enhance investor protection;
- Ensure markets are fair and efficient;
- Promote financial stability by reducing systemic risk.

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. Shigeru Ariizumi, Vice Minister for International Affairs, Financial Services Agency, Japan, Dr Mohamed Farid Saleh, Executive Chairman of the Financial Regulatory Authority, Egypt, and Rostin Behnam, Chair of the U.S. Commodity Futures Trading Commission, are the Vice-Chairs of IOSCO Board. IOSCO is the leading international policy forum for securities regulators and the global standard setter for financial markets regulation. The organization's membership regulates more than 95% of the world's securities markets in some 130 jurisdictions, and it continues to expand.

4. The Growth and Emerging Markets (GEM) Committee is the largest Committee within IOSCO, representing more than 75% of the IOSCO membership, including ten of the G20 members. Dr Mohamed Farid Saleh, Executive Chairman of the Financial Regulatory Authority, Egypt, is Chair of the GEM Committee. The Committee unites members from 4 growth and emerging markets and communicates their views at other global regulatory discussions.

5. IOSCO counts four regional committees: (1) Africa / Middle-East (AMERC) chaired by Ms. Nezha Hayat Chairperson and CEO of the Moroccan Autorité Marocaine du Marché des Capitaux, (2) Asia & Pacific (APRC) chaired by Ms. Julia Leung Chief Executive Officer of the Hong-Kong Securities and Futures Commission, (3) European Regional Committee (ERC) chaired by Mr. Jean-Paul

Servais Chairman of Belgium's Financial Services and Markets Authority, and (4) Inter-American Regional Committee (IARC) chaired by Ms. Lucia Buenrostro Vice President of Regulatory Policy at the Mexican Comisión Nacional Bancaria y de Valores.

6. The 2011 report "[Regulatory Issues Raised by the Impact of Technological Changes on Market Integrity and Efficiency](#)" looked at the technological change that has occurred relating to the participants, how they connect to the markets, and the markets themselves, and the impact of these changes on the capability of markets authorities to supervise markets effectively.

7. The 2013 report on "[Regulatory Issues Raised by Changes in Market Structure](#)" updated the 2001 report "[Transparency and Market Fragmentation](#)" and analysed the evolution of secondary market structure, and the effect, of market fragmentation on the price formation process, market efficiency and integrity.

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