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IOSCO publishes its Report – Targeted Implementation Review on Principles for the Regulation and Supervision of Commodity Derivatives Markets

IOSCO today published its Report - [Targeted Implementation Review on Principles for the Regulation and Supervision of Commodity Derivatives Markets](#).

Recent commodity market volatility and the price spikes in energy and agricultural derivatives markets highlight the importance of a proper implementation of the IOSCO “[Principles for the Regulation and Supervision of Commodity Derivatives Markets](#)” (Principles) which objective is to ensure that the commodity derivatives markets serve their fundamental functions of facilitating price discovery and hedging, while remaining free from manipulation and abusive practices.

IOSCO conducted a targeted implementation review (the **Review**) of five Selected Principles, Principle 9, 12, 14, 15, and 16 that aim to address excessive commodity market volatility, over-the-counter (**OTC**) derivatives transparency and orderly functioning of the commodity derivatives markets. IOSCO views that an appropriate implementation of the Selected Principles

would help mitigate the impact of external factors which may disrupt commodity markets, as recently experienced.

The Report sets out IOSCO's recommendations to its members for improving the implementation of specific elements of the Selected Principles, as well as the intention to conduct further work in the OTC markets area.

Kevin Fine, Chair of the IOSCO Committee on Derivatives (Committee 7), said: *"The need to enhance the resilience of the commodities market remains a priority for regulators globally. The recommendations included in this report can help IOSCO members to implement the Principles and enhance the resilience of their markets"*

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.

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