



Weekly Bulletin for IOSCO Members – 19

25 May to 1 June 2022

I. Upcoming IOSCO Meetings

Meeting / Event – June	Location	Date
IOSCO/PIFS-HLS Global Certificate Program Phase I	Virtual	6-10 June
IOSCO Board Meeting (13:00-16:00 CEST)	Virtual	22 June
IOSCO ERC Meeting (10:00-12:00 CEST)	Virtual	23 June
IOSCO C8 Meeting (12:30-15:30 CEST)	Virtual	23 June
IOSCO AMCC Meeting (13:00-14:30 CEST)	Virtual	23 June
IOSCO & OECD Conference on Corporate Bond Markets (12:00-16:00 CEST)	Virtual	24 June
IOSCO Assessment Committee Meeting (13:00-15:00 CEST)	Virtual	27 June
Compliance Carbon Markets Roundtable (13:00-16:30 CEST)	Virtual	27 June
IOSCO C4-SG Meeting (13:00-16:00 CEST)	Virtual	28-30 June
IOSCO FSEG Meeting (12:30-14:00 CEST)	Virtual	28 June
Monitoring Board Meeting (09:00-12:00 EDT)	(Montreal / Hybrid)	29 June
IOSCO IARC Meeting (15:00-17:00 CEST)	Virtual	29 June
IOSCO AMERC Meeting (10:00-12:00 CEST)	Virtual	30 June

II. Member News

- A. *Climate Finance and Financial Stability: Some Areas for Further Work*, opening Remarks by Tobias Adrian, Financial Counsellor and Director of the Monetary and Capital Markets Department, IMF, delivered at the IMF Policy Dialogue on Climate-Related Financial Risks and Green Finance in Asia and the Pacific, 1 June

“Climate change has become an utmost priority. While it has several dimensions, our focus today is on those aspects of climate change that could disrupt macroeconomic and financial stability.”

<https://www.imf.org/en/About/senior-officials/Bios/tobias-adrian>

- B. *ESMA reports on supervision of costs and fees in investment funds***, press release and report, European Securities and Markets Authority, 31 May

“The European Securities and Markets Authority (ESMA), the EU securities markets regulator, today publishes [a report on the Common Supervisory Action \(CSA\)](#) on costs and fees for investment funds, that was carried out with National Competent Authorities (NCAs) during 2021. ESMA highlights, in the Report, the importance of supervision in ensuring investors are not charged with undue costs, considering its high impact on investors’ returns.”

<https://www.esma.europa.eu/press-news/esma-news/esma-reports-supervision-costs-and-fees-in-investment-funds>

- ESMA provides supervisors with guidance on the integration of sustainability risks and disclosures in the area of asset management***, press release and report, European Securities and Markets Authority, 31 May

“The European Securities and Markets Authority (ESMA), the EU’s securities markets regulator, today publishes a [Supervisory Briefing](#) to ensure convergence across the European Union (EU) in the supervision of investment funds with sustainability features, and in combating greenwashing by investment funds.”

<https://www.esma.europa.eu/press-news/esma-news/esma-provides-supervisors-guidance-integration-sustainability-risks-and>

- C. *Sustainable investment: regulatory priorities***, speech by Mr. Ashley Alder, IOSCO Board Chair and Chief Executive Office, Hong Kong, Securities and Futures Commission, at the PRI China Conference: *Investing for Net Zero and SDGs*, 27 May.

<https://www.sfc.hk/-/media/files/ER/PDF/Speeches/Speech-27-May-2022.pdf>

- D. *Capital Markets Commission launches Emerging Program to facilitate the process of raising finance by Small and Medium Enterprises (SMEs) with high potential***, press release, Capital Markets Commission, Angola, 27 May

“The Capital Markets Commission (CMC), within the scope of its mission to regulate, supervise and promote the capital market, launched the Emerging Program, on May 4, 2022, at the Hotel Presidente, in Luanda.

The Emerging Program aims to guide and support small and medium-sized enterprises (SMEs) with high potential, in different stages of growth, to improve governance,

management practices, financial reporting that will allow them to become more attractive, raise capital in the financial markets and improve their products and services.

This initiative is part of actions to promote the capital market, allowing the Angolan economy to have increasingly diversified financing options (crowdfunding and venture capital), promoting sustainable growth and job creation.”

In Portuguese: [Programa Emergentes \(cmc.ao\)](http://www.cmc.ao)

English: [https://www.iosco.org/members_area/documents/bulletins/pdf/files/20220601-CMC Press Release - Emerging Program.pdf](https://www.iosco.org/members_area/documents/bulletins/pdf/files/20220601-CMC_Press_Release_-_Emerging_Program.pdf)

E. *Non-bank lending to mortgage borrowers has grown in importance in recent years,* press release, Bank of Ireland, 26 May

- *Non-bank lenders now account for 13% of the new mortgage lending market.*
- *Non-banks account for 10% of new lending to first-time buyers and subsequent buyers. The profiles of these borrowers are very similar across retail banks and non-banks.*
- *Non-banks appear to play an important role in enhancing competition on interest rates for consumers but may increase rates more quickly than banks due to their different funding structure.*

The Central Bank has today published a Financial Stability Note, ‘Non-bank mortgage lending in Ireland: recent developments and macroprudential considerations’.

<https://www.centralbank.ie/news/article/non-bank-lending-to-mortgage-borrowers-has-grown-in-importance-in-recent-years-26-may-2022>

F. *Leverage and derivatives – the case of Archegos,* TRV Risk Analysis, European Securities and Markets Authority, May 2022

“In March 2021, the default of Archegos, a US family office, led to large losses for some global banks. Archegos was able to accumulate large exposures to and leverage on equities by entering into derivatives transactions with bank counterparties. When the price of the underlying stocks started to decline, the firm was unable to meet variation margins, resulting in the liquidation of the stocks by the counterparty banks. In this article, we use EMIR data to analyse Archegos positions and show that it is possible to track the steep increase in concentrated exposures that the family office undertook in February and March 2021. Our findings show how regulatory data collected under EMIR can be used to monitor leverage and concentration risk in derivatives markets.”

[https://www.esma.europa.eu/sites/default/files/library/esma50-165-2096 leverage and derivatives the case of archegos.pdf](https://www.esma.europa.eu/sites/default/files/library/esma50-165-2096_leverage_and_derivatives_the_case_of_archegos.pdf)

G. *The drivers of the costs and performance of ESG funds*, TRV Risk Analysis, European Securities and Markets Authority, May 2022

“Investment funds that include environmental, social and governance (ESG) features have grown rapidly over the last years. ESMA recently determined that ESG equity undertakings for collective investment in transferable securities (UCITS), excluding exchange-traded funds, were cheaper and better performers in 2019 and 2020 compared to non-ESG peers. The reasons behind this relative cheapness and outperformance of ESG funds are of particular interest. Understanding the cost and performance dynamics may bring insights for the overall fund industry on how to make funds more affordable and profitable for retail investors. This study builds on past analyses by assessing whether portfolio composition can help to understand the cost and performance differentials between ESG and non-ESG funds. It identifies several differences between the two categories of funds, with ESG funds being more oriented toward large caps and developed economies, and it demonstrates that these factors are correlated with lower ongoing costs. However, even after controlling for fund characteristics and differences in portfolio exposures, ESG funds remain statistically cheaper and better performing than non-ESG peers between April 2019 and September 2021. Further research is thus needed to identify the other factors driving these cost and performance differences.”

https://www.esma.europa.eu/sites/default/files/library/esma_50-165-2146_drivers_of_costs_and_performance_of_esg_funds.pdf

H. *ETF Connect: Regulators announce implementation details*, press release and announcement, Hong Kong Securities and Futures Commission, 27 May 2022

“The Securities and Futures Commission (SFC) and the China Securities Regulatory Commission (CSRC) today announced details for the implementation of plans to include eligible exchange-traded funds (ETFs) in Stock Connect.

According to the [joint announcement](#), the principal arrangements for ETF Connect will make reference to those under Stock Connect and follow existing fund operations as well as the laws, regulations and operational models governing trading and clearing in the two markets.”

<https://apps.sfc.hk/edistributionWeb/gateway/EN/news-and-announcements/news/doc?refNo=22PR31>

I. *SEC Proposes to Enhance Disclosures by Certain Investment Advisers and Investment Companies About ESG Investment Practices*, press release, US Securities and Exchange Commission (SEC), 25 May 2022

“Washington D.C., - The Securities and Exchange Commission today proposed amendments to rules and reporting forms to promote consistent, comparable, and reliable information for investors concerning funds’ and advisers’ incorporation of environmental, social, and governance (ESG) factors. The proposed changes would apply to certain registered investment advisers, advisers exempt from registration, registered investment companies, and business development companies.”

<https://www.sec.gov/news/press-release/2022-92>

J. *FCA planning reform of the listing regime to boost growth and competitiveness*, Press Release, UK Financial Conduct Authority, 26 May

“The FCA has today set out an ambitious vision for potential reform to the way companies list in the UK that aims to attract more high quality, growth companies and give investors greater opportunities.”

<https://www.fca.org.uk/news/press-releases/fca-planning-reform-listing-regime-boost-growth-and-competitiveness>

K. *The World Federation of Exchanges New Research Finds Circuit Breakers Effective as Tools to Manage Volatility*, news article, World Federation of Exchanges (WFE), 26 May

“The World Federation of Exchanges, the global industry group for exchanges and CCPs, today published a new research paper titled “Circuit breakers and market quality,” which studies their effectiveness during times of volatility and market stress.”

<https://www.world-exchanges.org/news/articles/world-federation-exchanges-new-research-finds-circuit-breakers-effective-tools-manage-volatility>

II. Financial Stability Board/Bank for International Settlements

A. *Propelling a graceful transition: the role of the financial system*, speech by Klaas Knot, Chair, Financial Stability Board and President, De Nederlandsche Bank, at the Green Swan Conference (virtual), 1 June

“Russia’s invasion of Ukraine has demonstrated the reality of transition risk and its relevance even over a short time horizon. It has triggered an intense debate about governments’ current and future energy policies, as it has profoundly changed the global economic and financial market backdrop. Public authorities are still overcoming residual challenges of the pandemic and are now faced with rising commodity prices and inflation. Unsurprisingly, this has created pressure to deprioritize energy transition plans. In some

cases, public and private-sector players are taking actions that are inconsistent with their stated net zero ambitions. The gap between commitment and action is growing ever wider. At the same time, risks from climate change keep rising.”

<https://www.fsb.org/wp-content/uploads/S010622.pdf>

- B. *Basel Committee finalises principles on climate-related financial risks, progresses work on specifying cryptoassets' prudential treatment and agrees on way forward for the G-SIB assessment methodology review***, press release, Bank for International Settlements, 31 May

The Basel Committee met on 27 May and approved a finalised set of principles for the effective management and supervision of climate-related financial risks. It also progressed its work on specifying a prudential treatment of cryptoassets and issuing a second consultation paper and agreed on a way forward to reflect developments in the European banking union (EBU) on the assessment methodology for global systemically important banks (G-SIBs). In addition, the Committee is continuing to assess risks to and vulnerabilities of the global banking system, including those ensuing from the conflict in Ukraine.”

<https://www.bis.org/press/p220531.htm>

- C. *BIS renews commitment to the FX Global Code***, press release, Bank for International Settlements, 31 May 2020

“The Bank for International Settlements has reviewed the content of the [FX Global Code](#), as updated in July 2021, and acknowledges that the Code represents a set of principles generally recognised as good practice in the wholesale foreign exchange market. The BIS confirms that it acts as a market participant as defined by the Code and is committed to conducting its FX market activities in a manner consistent with the principles of the Code. To this end, the BIS has taken appropriate steps, based on the size and complexity of its activities, and the nature of its engagement in the FX market, to align its activities with the principles of the Code.”

<https://www.bis.org/press/p220531a.htm>

III. Other News

- A. *Webinars on the ISSB's exposure drafts***, IFRS, May 2022

“The International Sustainability Standards Board (ISSB) held two live webinars for all stakeholders on its proposed standards on general sustainability-related disclosures and

climate-related disclosures. These webinars provide an overview of the proposals and give participants an opportunity to ask questions. ISSB Vice-Chair Sue Lloyd was joined by technical staff for both sessions.”

Recordings of both webinars are available below. The slides from the powerpoints are [available here](#).

<https://www.ifrs.org/projects/work-plan/climate-related-disclosures/webinars-on-the-issbs-exposure-drafts/>

- B. *The ESAs publish the joint Report on the withdrawal of authorisation for serious breaches of AML/CFT rules***, report, Joint Committee, the European Supervisory Authorities (EBA, EIOPA and ESMA – ESAs), 01 June

“The European Supervisory Authorities (EBA, EIOPA and ESMA – ESAs) published a [joint Report](#), which provides a comprehensive analysis on the completeness, adequacy and uniformity of the applicable laws and practices on the withdrawal of license for serious breaches of the rules on anti-money laundering and countering the financing of terrorism (AML/CFT).”

<https://www.esma.europa.eu/press-news/esma-news/esas-publish-joint-report-withdrawal-authorisation-serious-breaches-amlcft>

- C. *Driving Sustainability and Creating Value during Unprecedented Uncertainty: Key Priorities for Professional Accountants in Business and Public Sector***, press release and report, International Federation of Accountants (IFAC), 31 May

“Professional accountants must think disruptively to help their organizations respond to unprecedented challenges and uncertainty. IFAC’s Professional Accountants in Business (PAIB) Advisory Group explores how professional accountants add value to their organizations and to society. A new report, [Global Priorities for Professional Accountants in Business and the Public Sector](#), compiles key insights and learnings from the advisory group’s recent meeting.”

<https://www.ifac.org/news-events/2022-05/driving-sustainability-and-creating-value-during-unprecedented-uncertainty-key-priorities>

- D. *Digital Assets and the Future of Finance: Examining the Benefits and Risks of a U.S. Central Bank Digital Currency***, testimony by Vice Chair Lael Brainard, Board of Governors of the Federal Reserve System, before the Committee on Financial Services, U.S. House of Representatives, Washington, D.C., 26 May

“it is prudent to consider how the potential absence or presence of a U.S. central bank digital dollar could affect the use of the dollar in global payments. For example, the People's Bank of China has been piloting the digital yuan, and several other foreign central banks are issuing or considering issuing their own digital currencies.

A U.S. CBDC may be one potential way to ensure that people around the world who use the dollar can continue to rely on the strength and safety of the U.S. currency to transact and conduct business in the digital financial system. More broadly, it is important for the United States to play a lead role in the development of standards governing international digital finance transactions involving CBDCs consistent with the norms of privacy, accessibility, interoperability, and security.”

<https://www.federalreserve.gov/newsevents/testimony/brainard20220526a.htm>

E. *Integrated Reporting—articulating a future path*, press release, IFRS Foundation, 25 May

“As we are progressing with the Value Reporting Foundation (VRF) consolidation process, and after the IFRS Foundation clarified its plans for the SASB Standards, the International Accounting Standards Board (IASB) Chair Andreas Barckow and International Sustainability Standards Board (ISSB) Chair Emmanuel Faber have communicated plans for the future role, governance and development of the VRF’s Integrated Reporting Framework and Integrated Thinking Principles.”

<https://www.ifrs.org/news-and-events/news/2022/05/integrated-reporting-articulating-a-future-path/>

F. *Staff request for feedback to inform future development of the IFRS Sustainability Disclosure Taxonomy for digital reporting* press release, IFRS Foundation, 25 May 2022

“The staff request for feedback outlines staff recommendations to inform the development of a taxonomy to enable digital consumption of sustainability disclosures prepared using the International Sustainability Standards Board’s (ISSB) IFRS Sustainability Disclosure Standards. The staff recommendations focus on fundamental matters that need to be considered early to enable the ISSB to publish the IFRS Sustainability Disclosure Taxonomy on a timely basis.”

<https://www.ifrs.org/news-and-events/news/2022/05/staff-request-for-feedback-to-inform-future-development-of-ifrs-sustainability-disclosure-taxonomy-for-digital-reporting/>

G. Data: Towards a new age of economic enlightenment, report, Official Monetary and Financial Institutions Forum (OMFIF), 2022

“OMFIF report finds that the global economy will reap huge benefits if public and private sectors can reconcile privacy with the benefits of access to data.

How should exponential advances in data technology best serve the financial economy and the economy at large? As regulators and policy-makers work to balance protection and innovation in their evolving frameworks, OMFIF has launched a landmark report on the use of data and its potentially transformative impact on developments in the global economy, financial services, the business community and society as a whole.”

https://www.omfif.org/data2022/?utm_source=omfif&utm_medium=partner&utm_campaign=efi2022

IV. Annual Meeting 2022

The Autorité Marocaine du Marché des Capitaux (AMMC) of Morocco will host the 47th IOSCO Annual Meeting (AM) this year.

The 2022 AM will be held on 17-19 October 2022 in Marrakesh and will be preceded by an AMMC Public Conference on 20 October 2022.

IOSCO/AMMC plan to hold the 2022 AM as an in-person meeting; however, we will monitor the evolution of the pandemic worldwide, and will confirm in due time the format of the 2022 AM.

Should you have any questions, please contact the Secretariat’s Meeting and Events Team (met@iosco.org)

V. IOSCO Capacity Building Activities 2022

Stay tuned for additional capacity building activities to be confirmed, including the following:

- **Asia Pacific Hub Webcast on “Crypto-Assets: Latest Developments and Regulatory Implications”**, to be released in May/June
- **Virtual Case Study Session on Theranos**, 6 July
- **3rd IOSCO/PIFS – Harvard Law School Global Policy Development Seminar**, Virtual, 22 September
- **14th AMCC Regulatory Training Seminar**, Virtual, November (TBC)
- **C4 Training Webinar on the Use of Technology in Securities Markets Enforcement**, Date TBC



Securities and Derivatives Clearing and the role of CCPs. In continuation of its Learning Series for 2022, the IOSCO Affiliate Members Consultative Committee (AMCC) held this webinar on 19 May, and it is available on demand.

This webinar was a second part to an earlier episode held in November 2021. In building upon the discussions held during the first part, the webinar delved deeper into the key regulatory framework for clearing and CCPs established under the IOSCO-CPMI Principles for Financial Markets Infrastructure (PFMIs) and their significance for global business. In addition, the webinar featured presentations on margining practices, non-default losses as well as recovery and resolution. Furthermore, there was a ‘questions and answers’ segment where participants engaged with the speakers on the key points that came out during their presentations. The webinar was well attended. There were over 80 participants from 41 organizations located in 32 jurisdictions in attendance.

The webinar is available at:

https://www.iosco.org/members_area/training/index.cfm?subSection=iosco_training_programs&subSection1=webcasts

24th IOSCO Seminar Training Program, Virtual, 26-28 April 2022, is available on demand

The 24th edition of the Annual IOSCO Seminar Training Program took place on 26-28 April 2022 and was delivered in a virtual format. The theme of this year’s program was *A Critical Examination of Today’s Crypto Space and the Resulting Regulatory Challenges for Securities Regulators* and was attended by over 350 IOSCO members from 100 jurisdictions. The program materials and recordings can be accessed on the [Members Area](#) of the IOSCO Website.

IOSCO AMCC Webinar and PPTs on *Cybersecurity under the Pandemic and beyond*, held on 20 April 2022, is available to members on demand.

The IOSCO Affiliate Members Consultative Committee (AMCC) organized this webinar as part of the AMCC Learning Series and contribution to IOSCO’s capacity building projects. IOSCO.

The AMCC chose to begin its learning series with cybersecurity, considering how critical it is to the activities of regulators and industry players in the securities market. Effective cybersecurity has become increasingly vital for governments, and public and private entities over the past decade. Cyber-attacks experienced an uptick during the pandemic as many financial sector participants began working from home. Now more than ever, governments, regulators, regulated entities, and other firms need to strengthen their capacity to deal with ever evolving



cyber-threats. The recording and PPTs used for the webinar are available on the IOSCO members-only website, at:

https://www.iosco.org/members_area/training/index.cfm?subSection=iosco_training_programs&subSection1=webcasts&subSection2=2022

6th IOSCO/PIFS – Harvard Law School Global Certificate Program for Regulators of Securities Markets – Phase I, Virtual, 6-10 June 2022 & Phase II, Cambridge (MA), US, 12-16 December 2022

IOSCO and the Program on International Financial Systems at Harvard Law School (PIFS-HLS) jointly developed this two-phase program to offer IOSCO members an executive education program that is exclusively tailored for regulators of securities markets. Attendees have up to three years to complete both phases of the Global Certificate Program. Successful attendees will be awarded a joint certificate of participation issued by IOSCO and PIFS-Harvard Law School. Also, IOSCO members may attend any part of the program on a non-certificate basis. This year marks the 6th edition of the program which was inaugurated in 2016.

Phase I, hosted by IOSCO, consists of the following components: online learning materials and in-person modules on regulation and compliance. Under normal circumstances, the in-person modules will be conducted at IOSCO's premises in Madrid (Spain) and will cover the fundamentals and intricacies of securities regulation and compliance. This year, Phase I will be delivered in a virtual format and will consist of virtual live sessions to be held on 6-10 June 2022 (between 13:00 and 16:00 CEST), as well as pre-recorded on-demand presentations and other online content to be studied in advance. These sessions will be delivered primarily by current or former securities regulators.

Agenda:https://www.iosco.org/members_area/file.cfm?file=members_area\training\library\gcp\2022-05-03\pdf\Agenda.pdf

Phase II, hosted by PIFS-HLS, consists of a one week-long in-person module that will be conducted on campus at the Harvard Law School in Cambridge (Massachusetts, US) from 12-16 December 2022. (Note: depending on the circumstances, Phase II may be delivered in a virtual format.) This one week-long session will examine current and future regulatory challenges and emerging issues and will be delivered by leading academics, securities regulators and public policy makers. While any IOSCO member employee may attend the program, it is specifically designed for regulatory staff with strong leadership potential and approximately five to seven years of regulatory experience.

For more details, please visit the [Members Area](#).



For questions, please contact globalcertificateprogram@iosco.org.

17th FSI-IOSCO Conference on Securities Trading Issues and Market Infrastructure, 5-6 October 2022

The Financial Stability Institute (FSI) of the Bank for International Settlements (BIS) and IOSCO are jointly organizing the annual Conference on Securities Trading Issues and Market Infrastructure, in Basel, Switzerland, on 5 and 6 October 2022. (Note: depending on the circumstances, the Conference may be delivered in a virtual format.) This Conference, which is intended for bank supervisors and securities regulators, marks the seventeenth year that FSI and IOSCO are organizing this important joint program.

For more details, please visit the [Members Area](#).

For questions, please contact capacitybuilding@iosco.org.

VI. Other Events

IFRS Foundation Conference 2022, Leonardo Royal Hotel, near London's Tower Bridge, on 23–24 June 2022.

“This is our first annual conference at which we’ll be presenting and discussing the work of two standard-setting boards—the International Accounting Standards Board (IASB) and the recently created International Sustainability Standards Board (ISSB).”

Ashley Alder, Chair of the Board of IOSCO will deliver the Keynote address on 23 June, 10:30.

<https://informaconnect.com/ifrs-foundation-europe/letter-from-the-chair/>

<https://informaconnect.com/ifrs-foundation-europe/speakers/ashley-alder/>

<https://informaconnect.com/ifrs-foundation/special-interest-sessions/>

VII. The 2022 Work Calendar:

<https://www.iosct-calendar-print2>

VIII. Latest Investor Alerts

https://www.iosco.org/investor_protection/?subsection=investor_alerts_portal

IX. Recommended Reading

- A. ***Tipping point crossed at IMF meetings***, article by Christian Kopf, Head of Fixed Income Fund Management at Union Investment, Official Monetary and Financial Institutions Forum, 1 June

“The goal of enhanced co-operation on economic and monetary issues, enshrined in the IMF’s articles of agreement, was always beyond question. But that is no longer the case. We are at an epochal turning point against the backdrop of the Russian invasion of Ukraine.”

<https://www.omfif.org/2022/06/tipping-point-crossed-at-imf-meetings/>

- B. ***What Does Evolving Regulation Mean for the Future of Crypto? Navigating the challenges and possibilities of increasing legislation*** video with IOSCO SG Martin Moloney, Watch On-Demand Now | Online Panel Discussion, 24 – 25 May

“This panel discussion was hosted by the Financial Times, in partnership with Grayscale, on the side-lines of WEF Davos. The panel discussed what the future of crypto regulation looks like, the challenges it will present crypto investors and the potential benefits it could offer the market.”

<https://cryptoregulation.live.ft.com/>

- D. ***Watchdogs Tackle the Murky World of Greenwash***, article, Inside Climate News/FT Moral Money, 30 May

“Government enforcers are on the hunt for companies making misleading claims about their so-called ‘eco-friendly’ products.”

<https://insideclimatenews.org/news/30052022/watchdogs-tackle-the-murky-world-of-greenwash/>

- E. ***When Crypto's Tulipmania Meets The Real Economy***, op-ed, Bloomberg, 30 May

“Regulators begin to consider how to keep DeFi from becoming the next subprime.”

https://www.bloomberg.com/opinion/articles/2022-05-30/when-crypto-s-tulipmania-meets-the-real-economy?utm_medium=email&utm_source=newsletter&utm_term=220530&utm_campaign=sharetheview

https://www.washingtonpost.com/business/when-cryptos-tulipmania-meets-the-real-economy/2022/05/30/3423ecf8-dfd6-11ec-ae64-6b23e5155b62_story.html

F. *Regulators take aim at ESG ratings in fight against greenwashing*, article, Financial Times, 28 May

“Governments and watchdogs focus on transparency, conflicts of interest and validity of metrics.”

<https://www.ft.com/content/97dd3144-dadb-452f-9a65-088a841ad7b1>

G. *Glencore’s oil-price rigging puts spotlight back on benchmarks*, article, Bloomberg/Copper Belt, 27 May

“Glencore’s settlement with US prosecutors has cast fresh light on manipulation of an under-the-radar part of the commodities world that’s crucial for valuing physical deals and derivatives.

The raw-materials giant this week agreed to plead guilty to rigging fuel-oil assessment prices after probes into wide-ranging bribery and corruption. The process for setting the benchmarks involves price reporters polling traders in the market for bids, offers and transactions so that they can publish values on products that otherwise would remain private information.

It’s a hugely important part of the industry. Billions of dollars of physical deals are set against the daily benchmarks, which also act as a reference price for big amounts of derivatives. Yet they’re often based on a relatively small number of trades — or none at all — which can give large trading houses an incentive to manipulate physical markets to benefit their derivative positions.”

<https://copperbeltkatangamining.com/glencores-oil-price-rigging-puts-spotlight-back-on-benchmarks/>

H. *Carbon markets are going global: But will they make a difference?* Article, The Economist, 26 May

“Carbon prices ensure companies that burn more fossil fuels are at a competitive disadvantage while green innovation is rewarded. The revenue from the sale of carbon permits, meanwhile, can be reinvested in renewable energy or other virtuous ventures as governments see fit.

The problem is that very few markets work as intended.”

<https://www.economist.com/finance-and-economics/2022/05/26/carbon-markets-are-going-global>

- I. *The evolution of liquidity risk management***, article by Thierry Ciszewski, Senior Risk Manager, HSBC Asset Management, for Risk.net/Bloomberg, 26 May

“Following the global financial crisis that began in 2007–08, policy-makers have multiplied their efforts and implemented reforms to strengthen the resilience of the financial sector. But – while established frameworks and models have been implemented and understood by the industry for market, credit and operational risk – liquidity risk has been the most difficult to model and tackle due to its systemic component.”

<https://www.bloomberg.com/professional/blog/the-evolution-of-liquidity-risk-management/?tactic-page=630362>

- J. *Making progress on decentralized regulation — It’s time to talk about crypto together***, op-ed in the Hill by US CFTC Commissioner Caroline D. Pham and US SEC Commissioner Hester M. Peirce, 26 May

“Crypto gives us a new opportunity to cooperate and do so publicly. As an initial step, we are calling on our agencies to hold a joint set of public roundtables to evaluate recent market events and risks, and to discuss how to regulate crypto responsibly. These roundtables would be open to the public, and panelists would include crypto users, investor and customer advocates, industry members, and other regulators. The goal would be to assess whether new regulations are necessary to protect the public and the markets, how existing regulations might be modernized to better account for innovation, and how technology is likely to reshape our markets. We could start with topics such as digital asset trading platforms, crypto derivatives, stablecoins, decentralized finance, and the balance between privacy and anti-money laundering measures.”

<https://thehill.com/blogs/congress-blog/3503277-making-progress-on-decentralized-regulation-its-time-to-talk-about-crypto-together/>

- K. *As VC Money Pours In, Many ‘Decentralized’ Projects Are Anything But***, article by [PYMNTS](#), 26 May

A lot of people lately have been asking questions about just how decentralized DeFi actually is.

Most notably, regulators and central bankers see decentralized finance (DeFi) projects raking in billions while claiming to have no executives, no board, and no central authority whatsoever. Instead, they are run by decentralized autonomous organizations (DAOs), which resolve disputes and set policies by token-based voting.

Some, including the Financial Action Task Force (FATF) and the Bank for International Settlement (BIS), have concluded that DeFi projects and the DAOs that run them are not nearly as decentralized as they seem, citing a variety of way of finding someone on whom to pin any charges.”

<https://www.pymnts.com/blockchain/2022/as-vc-money-pours-in-many-decentralized-projects-are-anything-but/>

L. *A Route-Map Outlining How European and Global Sustainability Standards for Corporate Reporting Can and Will Converge*, Reuters Events Official Briefing, Reuters, 24 May

“For too long, the ‘alphabet soup’ of ESG acronyms has left companies unsure what to report on and investors unsure what to ask for. The huge diversity in global reporting requirements has led to a confused and fragmented sustainability ecosystem. But soon, this is set to change.

The current ESG patchwork is due to be replaced with widely accepted, internationally agreed upon sustainability reporting standards that will build momentum behind the movement towards global uniformity. How will these new international initiatives converge with pre-existing European ones? And to what extent will they diverge? We’ve produced a 17-page complimentary brief to answer these questions and more, enabling you to understand exactly how International and European reporting standards are set to interrelate.”

https://1.reutersevents.com/LP=32836?utm_campaign=5495-27MAY22-WK26-BD-FF&utm_medium=email&utm_source=Eloqua&elqTrackId=90a9257cc1854683a4fefa19fe95e645&elq=08678f277ad745468e66da361af51122&elqaid=72827&elqat=1&elqCampaignId=62416

M. *How GDPR Is Failing*, article, Wired, 23 May

“The world-leading data law changed how companies work. But four years on, there’s a lag on cleaning up Big Tech.”

<https://www.wired.com/story/gdpr-2022/>