



Weekly Bulletin for IOSCO Members – 26

20 to 27 July 2022

I. IOSCO Press releases

IOSCO welcomes the strong stakeholder engagement on proposals for a comprehensive global baseline of sustainability disclosures for capital markets, press release, IOSCO, 27 July

<https://www.iosco.org/news/pdf/IOSCONEWS653.pdf>

II. Member News

A. *FMA review of ethical investing claims in managed funds*, press release, Financial Market Authority, New Zealand, 28 July

“New Zealanders are clearly hunting for funds that match their ethics or values, but their due diligence is still brief. This reinforces the scale of the information advantage fund managers have over investors.

We will continue to provide information and help investors make good decisions about investment products which align with their values, while also working with providers to ensure they are also helping potential and existing investors with better quality information and disclosures.”

<https://www.fma.govt.nz/news-and-resources/media-releases/fma-review-of-ethical-investing-claims-in-managed-funds/>

B. *The FCA’s Consumer Duty will lead to a major shift in financial services*, press release, UK Financial Conduct Authority, 27 July

“The Financial Conduct Authority (FCA) has confirmed its plans to bring in a new Consumer Duty, which will fundamentally improve how firms serve consumers. It will set higher and clearer standards of consumer protection across financial services and require firms to put their customers’ needs first.”

<https://www.fca.org.uk/news/press-releases/fca-consumer-duty-major-shift-financial-services>



C. Statement of Gerri Walsh, President, FINRA Investor Education Foundation; and Senior Vice President, FINRA Investor Education Before the U.S. Senate Committee on Banking, Housing and Urban Affairs, 27 July

“I want to thank you for the opportunity to appear today to discuss various risks facing investors and savers in today’s securities and crypto markets. The financial and non-financial consequences for victims of fraud can be devastating, and it is critical that we work together to address this ongoing threat. FINRA’s mission is to protect investors and promote market integrity, and accordingly FINRA and the FINRA Foundation have dedicated significant resources to combatting fraud. My testimony will focus on FINRA’s regulatory work and the research, outreach and educational initiatives that FINRA and the FINRA Foundation have underway to help both novice and advanced investors establish sound financial practices, follow pathways to investing and retirement readiness, and avoid fraud and costly mistakes.”

<https://www.finra.org/media-center/speeches-testimony/statement-committee-banking-housing-urban-affairs-072722>

D. Growing RegTech adoption in Jersey, press release, Jersey Financial Services Commission, 22 July

“On Thursday 21 July, we hosted an event at the Royal Yacht hotel, looking at the findings of an independent report we commissioned on the barriers to adoption of Regulatory Technology (RegTech) in Jersey....

...The successful adoption of Regulatory technology will support innovation and growth for Jersey. Our ambition is for Jersey to reach a level of RegTech maturity by the end of 2024 that is evidenced by high adoption rates, and results in cost efficiencies, improved compliance, and management of regulatory complexity.”

<https://www.jerseyfsc.org/news-and-events/growing-regtech-adoption-in-jersey/>

E. Comment on the Financial Accounting Foundation (FAF) Draft Strategic Plan, US SEC Commissioners Hester Pierce and Mark T. Uyeda, Securities and Exchange Commission, 22 July

“Introducing sustainability standard-setting to the FAF runs the risk of degrading the independence and effectiveness that are the hallmarks of the FAF’s two standard-setting

boards, the Financial Accounting Standards Board (FASB) and the Governmental Accounting Standards Board (GASB).”

<https://www.sec.gov/news/statement/peirce-uyeda-statement-draft-financial-accounting-foundation-strategic-plan-072222>

F. Statement of Commissioner Kristin Johnson on Policing Insider Trading in Digital Asset Markets, Commodities Trading Futures Commission, 21 July

“Today, a federal district court will begin to consider the application of insider trading jurisprudence to digital assets or, more specifically, cryptocurrencies.

While conversations regarding the regulation of this emerging and novel asset class may invite lively (and in some instances passionate) debate, there is one issue about which crypto enthusiasts and skeptics may agree—fraud, misrepresentation, and deception or lying, cheating, and stealing—are not be permitted. Our commitment to enforcing against such conduct rises to singular and critical importance when fraudsters intentionally target vulnerable retail market investors. Existing laws and regulations expressly prohibit such misconduct in our markets for good reason. Financial market regulators and law enforcement stand united, prepared to enforce against such predatory and abusive behavior.”

<https://www.cftc.gov/PressRoom/SpeechesTestimony/johnsonstatement072122>

G. Key Retail Risk Indicators for the EU single market, TRV Risk Analysis, European Securities and Markets Authority, 21 July

“Monitoring retail risks aims to provide policymakers and supervisors with the information they need to better protect investors. Building on the existing TRV analysis, our article proposes a conceptual framework that defines key terms, considers how to measure risks practically and identifies sources of risk to consumers. Within this framework the set of [retail risk indicators] RRIs should aim to reflect market developments, especially the rise of online- or mobile-based retail trading. Based on regulatory data this article presents a first selection of possible RRIs. These highlight risks around inexperienced investors, use of digital tools by younger investors and spikes in overall trading during periods of market stress.”

https://www.esma.europa.eu/sites/default/files/library/esma50-164-2193_trv_article_key_retail_risk_indicators_for_the_eu_single_market.pdf

- H. IIROC Cybersecurity Self-Assessment Tool for IIROC Firms**, press release, IIROC Cybersecurity Self-Assessment Tool for IIROC Firms, press release, Investment Industry Regulatory Organization of Canada (IIROC), 21 July 2022

“Overview: IIROC has developed a cybersecurity self-assessment tool primarily for small and medium- sized IIROC firms. The purpose of the self-assessment tool is to help IIROC firms identify areas of strength and weakness based on their information security practices. The scope encompasses most practices at IIROC firms that affect cybersecurity.”

<https://www.iiroc.ca/news-and-publications/notices-and-guidance/iiroc-cybersecurity-self-assessment-tool-iiroc-firms>

- I. Letter from Sam Woods and Nikhil Rathi ‘Transforming data collection – an update on progress and plans for 2022’**, letter, Bank of England, 21 July 2022

“Letter to chief executive Officers of PRA and FCA regulated firms, from Sam Woods (PRA), and Nikhil Rathi (FCA), updating firms on the work both regulators are doing as part of the joint transformation programme to improve the way that data is collected from all regulated firms.”

<https://www.bankofengland.co.uk/-/media/boe/files/prudential-regulation/letter/2022/july/transforming-data-collection.pdf?la=en&hash=3F87328D1B4FEED5EFE006E4FF2DB701AB3DA46E>

- J. WFE Webinar: SEC/CFTC Sustainability-related proposals: Views from Exchanges**, article, World Federation of Exchanges, 21 July

“Global supervisors have now ranked sustainability risk and reporting high on the regulatory agendas. Both the SEC and the CFTC are in the process of gathering information from market participants and key stakeholders on regulatory proposals that will impact the identification and assessment of climate-related risks and opportunities. Representatives from NYSE, Cboe and B3 discuss the SEC proposals for climate-related disclosures and the CFTC’s request for information on climate-related financial risk and share perspective on how exchanges are approaching these regulatory initiatives.”

<https://www.world-exchanges.org/news/articles/secctc-sustainability-related-proposals-views-exchanges>

III. Bank for International Settlements/Financial Stability Board

A. Public responses to consultation on Supervisory and Regulatory Approaches to Climate-related Risks: Interim Report, press release, Financial Stability Board, 22 July 2022

On 29 April 2022, the FSB published an [interim report on Supervisory and Regulatory Approaches to Climate-related Risks](#). Interested parties were invited to provide written comments by 30 June 2022. The public comments received are available below.

<https://www.fsb.org/2022/07/public-responses-to-consultation-on-supervisory-and-regulatory-approaches-to-climate-related-risks-interim-report/>

B. Public responses to consultation on Supervisory and Regulatory Approaches to Climate-related Risks: Interim Report, press release, Financial Stability Board, 22 July

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C. Can multilateral platforms improve cross-border payments? Article, Committee on Payments and Market Infrastructures, 21 July

“In this article, we provide an update on the work to investigate if there could be a role for multilateral platforms in improving cross-border payments. Overall, multilateral platforms seem capable of alleviating some of the frictions that affect those payments. Yet, there are also challenges and barriers that will need to be overcome if platforms are to be established, as well as risks to be assessed. Further analysis will focus on various options for multilateral platforms, and it will be complemented by market input.”

<https://www.bis.org/cpmi/publ/bb17.pdf>

IV. Other News

A. ISSB Exposure Drafts – UKEB Final Comment Letter and Feedback Statement published, UK Endorsement Board (UKEB), 27 July

“The UK Endorsement Board (UKEB) has published its [Final Comment Letter](#) and [Feedback Statement](#) on the ISSB’s Exposure Drafts [draft] IFRS S1 General Requirements

for Disclosure of Sustainability-related Financial Information and [draft] IFRS S2 Climate-related Disclosures. The comment letter covers both exposure drafts and focuses on the overlap with IFRS Accounting Standards. The letter reflects engagement with over 200 stakeholders who represented over 90 organisations. Thank you to everyone who contributed to this important project.”

<https://www.endorsement-board.uk/issb-exposure-drafts-ukeb-final-comment-letter-and-feedback-statement-published>

- B. *Climate shocks can put financial stability at risk, ECB/ESRB report shows***, press release, European Central Bank, 26 July

“The European Central Bank (ECB) and the European Systemic Risk Board (ESRB) today published a joint [report](#) on how climate shocks can affect the European financial system. The findings show that climate risks can quickly spread and harm companies and banks alike. The report adds further evidence on the systemic nature of climate risks and provides a foundation for a macroprudential policy response.”

<https://www.ecb.europa.eu/press/pr/date/2022/html/ecb.pr220726~491ecd89cb.en.html>

- C. *The Long and Winding Road to Financial Reporting Standards***, posted by Robert Eccles (Oxford University), and Kazbi Soonawalla (Oxford University), Harvard Law Forum on Corporate Governance, 20 July

“.....work should be done to get as close as possible to a global set of standards for sustainability reporting. But it is important to be realistic about the effort, difficulties, and time it will take to accomplish this goal, which will never be achieved in the purist sense. Just as is the case for financial reporting standards.”

<https://corpgov.law.harvard.edu/2022/07/20/the-long-and-winding-road-to-financial-reporting-standards/>

V. 2022 World Investor Week

During 3-9 October 2022, securities regulators on six continents will promote investor education and protection through the World Investor Week, an initiative of the International Organization of Securities Commissions (IOSCO).

The video recording of the first preparatory webinar on WIW and the accompanying presentations are available on the WIW website in the Participant Resources section:



<https://www.worldinvestorweek.org/?p=resource-list>

The Second preparatory webinar on WIW 2022 is to be held on Thursday 8 September 2022 from 13.00 hrs. to 14.30 hrs. CEST. The link to online registration and the Webex dial-in details will be circulated in due course.

See the IOSCO WIW 2022 announcement videos at <https://www.worldinvestorweek.org/> under “Announcements”.

VI. Annual Meeting 2022

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

<https://www.iosco2022marrakech.ma/>

The 2022 AM will be held on 17-19 October 2022 in Marrakesh and will be followed by an AMMC Public Conference on 20 October 2022. Although IOSCO/AMMC plan to hold the 2022 AM as an in-person meeting, we will continue to monitor the evolution of the pandemic worldwide.

Should you have any questions, please contact the Secretariat

VII. IOSCO Capacity Building Activities 2022

Additional capacity building activities now on offer, including the following:

- **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

Virtual Case Study Session on Theranos, video, recordings and other material available on demand

A Virtual Case Study Session on Theranos, *The Rise and Fall of Elisabeth Holmes: An Examination of the Evidence in the Criminal Trial of United States of America vs. Elisabeth Holmes and Ramesh “Sunny” Balwani*, took place on 6 July

This hour and a half session provided rich and compelling teaching points for securities regulators – especially those that have responsibility for successfully bringing adverse actions



against market participants and that requires the methodical and tedious development of a convincing and compelling case based on the evidence that is lawfully obtained and persuasively presented.

[Click here](#) for the session materials and video.

Crypto-Assets: Latest Developments and Regulatory Implications, IOSCO Asia Pacific Hub Webcast, available on demand,

Innovations related to crypto-assets offer opportunities for capital formation and enhanced access to financial services. However, the rapid developments of crypto-assets and their ecosystem raise concerns for regulators across the globe. The webcast discusses latest developments in the crypto-assets space, including the emergence of Stablecoins, Decentralised Finance and Non-Fungible Tokens, and the regulatory implications of these developments. The webcast also reviews current regulatory approaches to crypto-assets and measures to enhance investor protection.

The webcast is available for viewing at: <https://www.iosco.org.my/news-media/webcasts-podcasts>

Registration is now open for the virtual conference on *The Use of Technology in Securities Markets Enforcement*. 28 September 2022 (13.00 - 16.30 CEST)

Please register by **Thursday 15 September 2022** via this [link](#).

The registration portal is located in the members' area of the IOSCO website and therefore, log-in will be required. If you do not have log-in details to the members' area, you can request via this [link](#). If you already have log-in details but have forgotten your password, you can recover your password via this [link](#).

The virtual conference will be conducted through the Webex Events platform. **The conference is open free of charge to all IOSCO members who are securities and derivatives regulators.**

Each authority is encouraged to register not more than four participants in the first instance. Subject to availability of space, interested members may be allowed to register more participants subsequently. Members are encouraged to nominate staff from their Enforcement and IT departments to participate in this event.

The agenda for this conference will be circulated and posted to the **Training** section of the IOSCO website in due course.



If you have any questions, please contact the MMOU Team at MMoUTeam@iosco.org.

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 are conducted at IOSCO's premises in Madrid (Spain). In 2022, Phase I was delivered in a virtual format and consisted of virtual live sessions held on 6-10 June 2022, as well as pre-recorded on-demand presentations and other online content. Phase I covers the fundamentals and intricacies of securities regulation and compliance and related current critical issues and is delivered primarily by current or former securities regulators.

Phase II, hosted by PIFS-HLS, consists of a one week-long in-person module that, under normal circumstances, is conducted on campus at the Harvard Law School in Cambridge (Massachusetts, US). This year, Phase II will be held in-person at Harvard Law School, on 12-16 December 2022, between approx. 9:00 AM and 5:00 PM EST on each day. It will be possible to either attend the program in-person or attend the live sessions virtually (including access to the session recordings in view of time zone differences). This 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.

The draft agenda for Phase II will be shared here in due course.



Online Registration Phase II

The tuition fee for Phase II hosted by PIFS and Harvard Law School is USD 7,000 for in-person attendance, and USD 2,000 for virtual attendance. Registration and payment for Phase II is managed by PIFS and is now open. Please register online **by 15 November 2022**, using the following [link](#). Attendance is limited and available on a first come, first served basis. *Also this year there are scholarship opportunities for members from growth and emerging markets to cover the Phase II tuition fee. For all details, see information below on scholarship nominations.*

For questions, please contact globalcertificateprogram@iosco.org.

Scholarship grants for Phase II of the IOSCO/PIFS-Harvard Law School Global Certificate Program for Regulators of Securities Markets, hosted by PIFS-HLS from 12-16 December 2022

We are pleased to announce that the Program on International Financial Systems at Harvard Law School (PIFS-HLS) has once again successfully secured funding for the Global Certificate Program Scholarship Fund (“Fund”). PIFS-HLS, which administers Phase II of the IOSCO/PIFS-HLS Global Certificate Program for regulators of securities markets, both holds and administers this Fund of contributions from the academic, public and not-for-profit sector. Grants from this Fund shall be applied towards the tuition fee of Phase II.

We invite authorities from growth and emerging markets to nominate up to two eligible candidates for a scholarship grant (i.e., no self-nominations). Please click [here](#) for the **scholarship policy** that governs the awarding of discretionary grants to eligible candidates from IOSCO members from growth and emerging markets, as well as the **nomination form**. The nomination form must be accompanied with a maximum two-page (double space) **essay** written by the nominee in an individual capacity only (no outside assistance) on the following topic:

“Pick one burning topic of your choice in securities regulation and explain how securities regulators should tackle that issue.”

Nominations must be submitted by no later than 15 September 2022. Incomplete nominations (e.g., without the nominee’s essay) or nominations received after the submission deadline of 15 September 2022 will not be considered. The authorities of successful candidates will be notified by 15 October 2022. Note that successful candidates will be offered a full or partial tuition fee waiver. For any 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.

VIII. Other Events

Reminder: 29 July is the deadline for the Toronto Centre’s Essay Competition on *How Can Climate-Related Risks Be Integrated Into Risk-Based Supervision?*

Submissions are due by 29 July 2022, and the winners will be announced on 7 October 2022.

Please submit your essay as an email attachment saved in PDF format to Ms. Demet Canakci (dcanakci@torontocentre.org). Please provide your full name, organization and title.

For more information see: https://myemail.constantcontact.com/Essay-Competition--Now-Open-for-Submissions.html?soid=1119162686798&aid=1_SunAWTvpM

Training course on “Prudential risk and policies in the European investment fund sector”, 15 Sep to 11 Oct 2022, co-organised by the European Securities and Markets Authority, the European Systemic Risk Board and the European University Institute’s Florence School of Banking and Finance.

The course will focus on the main aspects of the EU investment fund sector, including regulation, supervision, risk identification and mitigation, and will be held partly online and partly on-site in Florence.

Registrations are open at <https://fbf.eui.eu/course/prudential-risk-and-policies-in-the-european-investment-fund-sector/>

Association for Financial Markets in Europe (AFME) is offering a limited amount of complimentary tickets to its 6th Annual European Compliance and Legal Conference to regulators and investors. This year it is hosting the conference in Amsterdam on 11 - 13 October 2022. Some of the top-level speakers include:

- Laura van Geest, Chair of the Dutch Authority for the Financial Markets (AFM)
- Rodrigo Buenaventura, Chairman of the Spanish National Securities Market Commission (CNMV)
- Natasha Cazenave, Executive Director at the European Securities and Markets Authority (ESMA)
- Tilman Lüder Head of the Securities Markets Unit at the European Commission
- Alessandra Atripaldi, Deputy Head of Securities Market Unit at the European Commission

To view the complete conference program, please [click here](#). To register, please [click here](#) and enter your details.

IX. The 2022 Work Calendar:

https://www.iosco.org/members_area/events/?subSection=event-calendar&p=event-calendar-print

X. Latest Investor Alerts

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

XI. Recommended Reading

- A. *The UK is ripping up the EU trading rulebook — five key takeaways from the Financial Services and Markets Bill***, article, Financial News, 26 July

“The bill affects everything from dark trading to crypto to regulators' powers.”

<https://www.fnlondon.com/articles/financial-services-and-markets-bill-five-takeaways-treasury-crypto-dark-pools-20220726>

- B. *How to invest in emerging markets***, Markets Insight by Mohamed El-Erian, Financial Times, 26 July

“Historically cheap pricing is not enough given the macro headwinds.....

....The time will come for across-the-board exposure to EMs. For now, a more selective approach is in order, including via private markets. Investors, though, should be prepared for more bumps in the journey to higher return.”

<https://www.ft.com/content/b7e51216-58e6-4eda-8bd2-ea4e8d8d68c6>

C. *The battle for Euronext’s clearing: a tale of two CCPs*, article, the Trade, 25 July

“Following the exchange’s decision to migrate its clearing operations, LCH SA and EuroCCP are lacing up for battle. The question is, who will be preferred?”

Euronext moved to break off its 10-year deal – originally due to expire in 2027 – with LCH SA in November after announcing its plans to move its clearing operations to Italy. The move followed its acquisition of Borsa Italiana and the bourse’s clearing house CC&G – now rebranded to Euronext Clearing.

Currently, Euronext Clearing only clears for Euronext Milan, however, the exchange operator has confirmed plans to expand coverage to all of its venues, subject to regulatory approval, meaning it will replace LCH SA as the primary CCP for Euronext’s markets.”

<https://www.thetradenews.com/the-battle-for-euronexts-clearing-a-tale-of-two-ccps/>

**D. *Bipartisan Bill to Regulate Stablecoin is Delayed for at Least Several Weeks*
Lawmakers continue to negotiate deal, but unable to complete work ahead of August break, video and article, Wall Street Journal, 26 July**

“When cryptocurrency lending platform Celsius froze user accounts amid a plunge in valuations, it sent ripples across the industry and raised questions about what happens to user assets if a crypto platform files for bankruptcy.”

https://www.wsj.com/articles/bipartisan-bill-to-regulate-stablecoin-is-delayed-until-september-11658770520?mod=itp_wsj&mod=djemITP_h

E. *Spread betting: how will the ECB’s new bond-buying tool work?* Article, Financial Times, 21 July

“Policymakers hope new programme will give central bank cover to raise rates without triggering market turmoil.”

<https://www.ft.com/content/c5499acd-0271-458d-8363-9e75633399ee>