

PRESS RELEASE

Creation of a Special Project Team

12 October 2001

The International Organization of Securities Commissions (IOSCO) announced today, following its meeting in Rome, the creation of a special Project Team to explore actions that securities regulators should take in view of the events of 11 September and their aftermath. The team will be led by Michel Prada, President of the French Commission des Opérations de Bourse (COB).

The quick and well-coordinated response of financial authorities, markets and market participants to the events of 11 September is testimony to the importance of sound contingency planning and cooperation among industry and regulators.

IOSCO members discussed their respective regulatory reactions to the 11 September events. They also discussed their cooperation on related enforcement matters. As part of this discussion, IOSCO identified three areas for further inquiry:

- **Contingency Planning:** IOSCO will review the essential elements of contingency plans for markets, market participants and regulators, as well as regulatory measures to cope with disorderly market conditions, bearing in mind the success of the preparations for Y2K.
- **Expanded Cooperation and Information Sharing:** To investigate financial crime fully, information sharing must be expanded to encompass securities regulators from all jurisdictions, as well as law enforcement and other authorities. The Project Team will examine the capacity and willingness of securities regulators to implement high quality standards on information sharing and the expansion of the standards to include other financial regulators and law enforcement authorities.
- **Client Identification:** Client identification by securities firms is critical to the ability to combat financial crime. The Project Team will explore the components of a robust identification regime, taking into account practical implications for the industry.

Commenting on the new project team, David Brown, the Chair of IOSCO's Technical Committee, said, "IOSCO members, using their existing networks of contacts, were well-positioned to respond to the events of 11 September. IOSCO has created this new project team to build on our experiences. Regardless of the outcome of any investigations

relating to the events of 11 September, we are doubling our efforts to ensure the preparedness of the securities community and the ability of regulators to combat financial crime involving securities markets."

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