

## MEDIA RELEASE



International Organization of Securities Commissions  
Organisation internationale des commissions de valeurs  
Organização Internacional das Comissões de Valores  
Organización Internacional de Comisiones de Valores

# IOSCO Quarterly Update

March 2008

Key Issues - Credit Rating Agencies, Subprime Crisis, Accounting Standards, Annual Conference 2008.

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**The announcements and publications below reflect IOSCO's work in support of its objectives, which are:**

- **The protection of investors**
- **Ensuring that markets are fair, efficient and transparent;**
- **The reduction of systemic risk**

### **Recent IOSCO announcements:**

Click on the link to view the full press release on IOSCO's [website](http://www.iosco.org)

26 March 2008 **[IOSCO Consults on Changes to Code of Conduct for Credit Rating Agencies](#)**

The International Organization of Securities Commissions (IOSCO) has published for consultation a report on [The Role of Credit Rating Agencies In Structured Finance Markets](#) which includes proposed changes to the Code of Conduct Fundamentals for Credit Rating Agencies (Code of Conduct).

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### 6 February 2008 [\*\*IOSCO Addresses Subprime Crisis\*\*](#)

The IOSCO Technical Committee met on Tuesday 5 February to review the progress being made by the Task Force on the Subprime Crisis launched in Tokyo in November 2007 which is focused on four key issues: enhanced transparency by issuers of structured products and appropriate due diligence from investors; risk management process for intermediaries; valuation and accounting issues; and the roles and duties of credit rating agencies.

### 6 February 2008 [\*\*IOSCO Urges Public Companies to Clarify Use of Accounting Standards\*\*](#)

The International Organization of Securities Commissions (IOSCO) has published a statement urging publicly traded companies to provide investors with clear and accurate information on the accounting standards used in the preparation of their accounts.

## **Published Reports**

### **IOSCO Technical Committee**

#### March 2008

#### [\*\*The Role of Credit Rating Agencies in Structured Finance Markets\*\*](#)

The paper has two objectives. Firstly, to provide analysis of the role of credit rating agencies in structured finance markets. Secondly, to propose several recommendations for modifying the IOSCO Code of Conduct Fundamentals for Credit Rating Agencies. Attached hereto as Annex A, is a version of the current IOSCO Code of Conduct Fundamentals for Credit Rating Agencies marked to show the proposed recommended modifications. The paper is published for information and comment. Comments as to whether the paper correctly analyzes the role of credit rating agencies in structured finance markets and as to the proposed recommendations for modifying the IOSCO Code of Conduct Fundamentals for Credit Rating Agencies would be welcomed. **Comments are to be sent by 25 April 2008**

#### February 2008

#### [\*\*Statement on Providing Investors with Appropriate and Complete Information on Accounting Frameworks Used to Prepare Financial Statements\*\*](#)

As accounting standards around the world continue to converge and as cross border capital market activity increases, it can no longer be assumed that investors will automatically be familiar with the jurisdiction in which an issuer company is based and the accounting standards that have been used. Furthermore, there may be a

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growing tendency for investors and other users of financial statements to assume that all accounts are generally comparable, even when they are prepared in accordance with very different generally accepted accounting principles (GAAPs). This tendency exists particularly in circumstances where national standards assert that they are based on but do not fully implement International Financial Reporting Standards (IFRS), i.e., when IFRS have been modified or adapted to the particular circumstances of a national market. The IOSCO Technical Committee is concerned that investors run the risk of making investment decisions without a full understanding of financial statement data if they are not fully aware of the basis on which financial statements are prepared, and of the accounting standards that underpin the company's policies.

### **IOSCO Annual Conference 2008**

The Annual Conference for 2008 will take place in Paris from 26 to 29 May 2008. The Conference will be hosted by the Autorité des marchés financiers (AMF) of France. The preliminary program for the conference, including registration and hotel reservation forms, can be found at <http://www.iosco2008.org/spip.php?lang=en>

### **IOSCO Objectives and Principles of Securities Regulation Assessment Methodology**

IOSCO has recently placed on its website the electronic version of the [Methodology for Assessing Implementation of the IOSCO Objectives and Principles of Securities Regulation](#) (October 2003, available in English, French, and Spanish), or *Assessment Methodology*. This internet-based document provides securities regulators with an interactive tool to assist them in completion of a self-assessment, preparation for an assisted self-assessment, preparation for a third-party assessment or related developmental work with respect to their securities regulatory regime.

This Methodology is intended to provide guidance on the conduct of a self-assessment or third party assessment of the level of implementation of the International Organization of Securities Commission's Objectives and Principles of Securities Regulation ("Principles"). IOSCO intends the Methodology to illustrate IOSCO's interpretation of its Principles. This Methodology does not alter or expand the Principles.

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## Speeches

1 February 2008 – [Capital Markets and Regulation: Asia Pacific Today](#)  
[Instituto De Empresa Business School and Expansion Newspaper Madrid,](#)  
[by Jane Diplock AO, Chair of IOSCO Executive Committee.](#)

## Videos

[IOSCO Technical Committee Conference - Tokyo, Japan \(November 2007\)](#)

## UNSUBSCRIBE

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