

MFSA's accession to the IOSCO Multilateral MoU

The MFSA recently became the 30th signatory to the IOSCO Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information, an immeasurably essential tool in the ambitious task of strengthening the capital markets against financial fraud. This document underscores the importance being attributed to mutual cooperation and consultation by IOSCO Members and their increased willingness to provide mutual assistance to facilitate the exercise of their respective functions and responsibilities in the securities field.

The decision to accept the MFSA's application was taken last month by means of a Resolution of IOSCO's Decision Making Group, after consultation with the Chairman of the Regional Committee.

The MFSA first communicated its willingness to endorse this commitment to cross-border cooperation in April 2005 when an application to become signatories was formally lodged. Since that date the Authority has undergone a lengthy and complex process in which all relevant Maltese legislation was scrutinized by a Verification Team appointed for this purpose. Submissions were made by the MFSA on a number of occasions during the verification process and clarifications were given in respect of queries in respect of the relevant legal provisions. Discussions were also held with the head of the Verification Team during the course of the annual IOSCO Seminar Training Programme in Madrid.

The MMoU was signed by the Chairman of IOSCO's Executive Committee, the Chairman of IOSCO's Technical Committee and the Chairman of the IOSCO's Emerging Markets Committee during a meeting of the three chairs held in Wellington last month. For the MFSA, the IOSCO MMoU was signed by Prof Joe Bannister, Chairman of the Authority.