



ICSA

INTERNATIONAL COUNCIL of SECURITIES ASSOCIATIONS

November 1, 2011

Svein Andresen
Secretary General
Financial Stability Board
Centralbahnplatz 2
CH-4002 Basel, Switzerland

Dear Svein,

We are writing to you on behalf of the members of the International Council of Securities Associations (ICSA), which is the global body for trade associations and SROs that represent and/or regulate firms active in securities markets.¹ We are writing to the FSB to express ICSA's opposition to a global financial transaction tax (FTT), which we understand will be discussed at this week's G20 Summit.

Attached is a letter sent last week from ICSA to the European Commission regarding the Commission's proposal for an FTT in Europe. The letter identifies many of our objections to such a tax and in particular the adverse impact that an FTT would have on the efficiency and potentially the stability of financial markets and thereby on institutional and private investors, retirees, businesses and the broader public.

We believe that new financial sector taxes would be particularly counterproductive at this time, when the G20 is working to restore business and investor confidence and stimulate economic growth. A global financial transaction tax would also be inconsistent with the G20 Finance Ministers' and Central Bank Governors' agreement to support the development and deepening of local currency bond markets.

Please do not hesitate to contact us at your earliest convenience regarding the issues discussed in this letter.

Best regards,

Kun Ho Hwang, Chairman
International Council of
Securities Associations (ICSA)

Duncan Fairweather, Chairman
ICSA Standing Committee on
Regulatory Affairs

¹ ICSA's members come from a broad range of jurisdictions and represent and/or regulate firms active in all of the major developed financial markets as well as a number of advanced emerging market economies. ICSA's objectives are: (1) to encourage the sound growth of the international securities markets by promoting harmonization in the procedures and regulation of those markets; and (2) to promote mutual understanding and the exchange of information among ICSA members. More information about ICSA can be found at: www.icsa.bz