

## **CROSS BORDER REGULATION FORUM (“CBRF”)**

### **Cross Border Regulation Forum launched to facilitate the enhancement of global regulatory standards**

May 2014: A new Cross-Border Regulation Forum (CBRF) has been created by an international group of financial services trade associations, investment banks, brokerage houses, market infrastructure operators and consumers of financial services to help improve and encourage the dialogue on international regulatory standards. The CBRF anticipates that it will be able to provide significant input into the cross-border regulatory work being undertaken by the recently established IOSCO Task Force based on the expertise and practical knowledge of the global financial services business of its member firms and markets.

The CBRF believes strongly in the efficient and coherent regulation of cross-border business and the development of common regulatory standards which will help financial services firms to provide the services that their customers need.

At present, inconsistent implementation of international standards, extra-territorial application of rules, and the protracted and complex processes for granting regulatory recognition are having a detrimental effect, in a global marketplace, on:

- the ability of corporate and institutional consumers of financial services to access a sufficiently broad spectrum of international products and services to meet their investment objectives, and risk management or capital raising needs;
- the enhancement of economic efficiency and growth;
- regulatory clarity and transparency.

Better cross-border regulation will not only avoid this kind of detrimental impact, but it will facilitate the development and observance of high standards in the marketplace.

To date, the CBRF has attended each of the open “stakeholder” meetings of the IOSCO Task Force in Hong Kong, London and Washington. It has already entered into a dialogue with the IOSCO Task Force in which it has expressed its support for the G20 agenda, set out a number of its initial concerns and suggested the kinds of factors and criteria which it believes IOSCO should take into account when setting standards for measuring inter-jurisdictional regulatory compatibility and strengthening supervisory cooperation.

Chris Dickens, Head of Regulatory Analysis and Design for the Global Banking and Markets business at HSBC, and Chairman of the CBRF said *“The overall purpose of the CBRF is to provide industry input into the regulatory brief of the newly-established IOSCO Task Force. We believe that IOSCO is well placed to set international standards of common measurement for determining regulatory*

*compatibility and so better streamline the regulation of cross-border business for the benefit of our customers.”*

Anthony Belchambers, Special Advisor to FIA Europe and Deputy co-Chairman of the CBRF, said *“The role of the CBRF will be to advance the cause of more efficient and coherent regulation of cross-border business and so reduce the potential and unintended consequences of Balkanising markets, fragmenting liquidity, confusing customers and increasing the risk of regulatory arbitrage.”*

David Love, Director Policy and International Affairs of the AFMA and Deputy co-Chairman of the CBRF said *“International standards can have quite different economic and commercial effects on the financial services sectors of jurisdictions with varying characteristics and stages of development around the globe. In the quest to develop and implement efficient and coherent international standards it is important that a plurality of views from around the world be taken into account as part of the policy process.”*

Anita Millar, Interim Secretary General of ICSA, and Secretary to the CBRF, said *“Membership of the CBRF is drawn from all the different “stakeholder” groups interested in creating a more coherent form of regulation of cross-border business. Its approach will be very much on putting forward practical proposals for reducing the level of compliance complexity and legal risk that currently surrounds the carrying on of cross-border business.”*

Note to editors:

Members of the CRBF include

**Associations and other bodies:**

AFB: Association of Foreign Banks

AFMA: Australian Financial Markets Association

AFME: Association for Financial Markets in Europe

AMIB: Mexican Securities industry Association

ASIFMA: Asia Securities Industry and Financial Markets Association

Bombay Stock Exchange Broker’s Forum

CCP12 - The Global Association of Central Counterparties

EACH: European Association of CCP Clearing Houses

ECSDA: European Central Securities Depositories Association

FESE: Federation of European Securities Exchanges

FIA Global: (replacing its 3 EU US and Asia affiliates)

ICMA: International Capital Market Association

ICSA: International Council of Securities Associations

IIAC: Investment Industry Association of Canada

IIF: Institute of International Finance

IMA: Investment Management Association

ISDA: International Swaps and Derivatives Association

SBA: Swiss Bankers Association

SIFMA: Securities Industry and Financial Markets Association

WFE: World Federation of Exchanges

WMBA: Wholesale Markets Brokers’ Association

**Firms:**

Bank of America Merrill Lynch  
Barclays  
Blackrock  
Deutsche Bank  
Goldman Sachs  
HSBC  
ICAP  
J.P. Morgan Chase & Co  
Marex Spectron  
Morgan Stanley  
Nomura  
RWE Supply & Trading  
Shell International Trading and Shipping Co Limited (STASCO)  
Societe Generale  
Standard Chartered  
UBS

**Market Infrastructures:**

CME Group  
Eurex Group  
ICE: Intercontinental Exchange  
LME: London Metal Exchange

**Observers:**

BBA: British Bankers' Association  
JSDA: Japan Securities Dealers Association  
KOFIA: Korea Financial Investment Association

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