



Q&A

JEAN-PAUL SERVAIS

Chair IOSCO & Chairman FSMA

Fostering international consensus and consistency through IOSCO 2026 priorities

Do you see a risk of weakening international regulatory cooperation? What concrete risks could this pose for global capital markets and for financial stability?

History has shown that risks always emerge when cooperation weakens and, in that context, I am particularly mindful of the benefits of working together internationally.

Regulatory fragmentation is a challenge for investor protection and market integrity, which are core to IOSCO’s mandate, but also to market participants themselves. For example, diverging rules on market structures could lead to liquidity fragmentation, which in turn increases the cost of capital for issuers and reduces price discovery efficiencies.

That said, there is no need for alarmism. I see strong engagement at all levels and a desire for ongoing regulatory cooperation. There remains a clear and pragmatic recognition among regulators that the “plumbing” of global finance must remain interoperable and a view that financial stability is a shared public good. Global standard setting has helped us weather recent financial stresses. In the next phase of work, we must dedicate increasing attention to facilitating the consistent and effective implementation of agreed standards. At the same time, we must further strengthen our capacity to identify and assess emerging vulnerabilities and stand ready to address new risks. It is also appropriate to consider how to modernise and strengthen the existing framework for financial market regulation to support resilient growth, without compromising financial stability.

As jurisdictions, including here in the European Union, modernise their regulatory frameworks to reflect digitalisation and evolving market structures, the key challenge will be to support innovation while continuing to strive for regulatory outcomes that are compatible, even if not identical and anchored in common principles and continued multilateral dialogue.

When formal harmonisation becomes more difficult, which mechanisms have proven most effective in practice for sustaining international cooperation? Where do you see the main limits today?

Experience shows that international cooperation does not depend on identical rules; it depends on shared objectives and practical interoperability.

This is why outcomes-based standards have proven particularly resilient, even in periods of regulatory divergence. When jurisdictions align around common regulatory outcomes — such as market integrity, investor protection, or financial stability — they retain flexibility in implementation while preserving cross-border compatibility. That flexibility is often what makes cooperation sustainable.

IOSCO standards are the outcome of the collective wisdom of our membership. Proportionality and adaptability to the realities of our member jurisdictions are the key features of IOSCO. Indeed, IOSCO membership includes both developed and emerging markets and is based on an inclusive process. Engagement with external stakeholders through various forms of ad hoc or institutional consultations (e.g. using our Affiliate Members Consultative Committee) is part of our DNA.

Moreover, IOSCO standards and recommendations have always been designed as non-binding. Due to the fact that we are working on a consensus basis, there is a clear buy-in for their faithful implementation in our member jurisdictions, taking into account local specificities. The engagement we have with the Financial Stability Board (FSB) reinforces our work further.

At the same time, supervisory cooperation among our members remains fundamental. IOSCO’s Multilateral Memorandum of Understanding (MMoU), with over 130 signatories, has been a pillar of cross-border enforcement cooperation between regulators for over two decades.

It enables timely information sharing and enforcement assistance and has significantly strengthened regulators' ability to address misconduct that spans jurisdictions. In most jurisdictions, investigations into market abuse or other misconduct entail a cross-border dimension in a large proportion of the cases. The IOSCO MMoU constitutes thus an effective tool to ensure compliance with securities laws and to combat cross-border financial crime.

We are focused on ensuring that this framework continues to evolve in step with markets and innovations, including in emerging areas such as digital assets, so that cooperation remains effective as market structures change.

We are continuing our efforts more broadly on this and supervisory cooperation more generally with our 'I-SCAN' Enhanced Investor Alerts Portal, which provides a global database to stop fraudulent actors.

As for the limits, cooperation ultimately relies on mutual trust, robust enforcement, and sustained engagement. Mutual recognition and outcomes-based approaches can only function where there is confidence in supervisory capacity and a shared commitment to implementation. We aim to continue acting as a forum for jurisdictions to meet these objectives.

What are the areas where risks of regulatory divergence appear particularly acute? What do you see as the minimum level of international consistency that should be preserved in these areas?

In financial markets, the objective is not uniformity for its own sake as every jurisdiction will have its specificities, but the preservation of a clear global baseline. This is at the core of what IOSCO does. IOSCO serves as global standard setter. It acts as a bridge-builder, by providing global solutions to global challenges to financial markets.

All the new technological developments in the field of finance are not constrained to any single jurisdiction. So, we have a role to play. The question is: what is our role?

In my view, at a minimum, international consistency should ensure three things: first, that investors receive decision-

useful, reliable information; second, that similar risks are treated in a similar manner; and third, that core safeguards around governance, risk management and conflicts of interest are maintained.

When it comes to crypto and digital assets, we have moved beyond designing global regulatory recommendations, to a phase of promoting active implementation of these standards. In 2026, we will advance our crypto-asset roadmap by finalising a formal methodology to assess how our recommendations on crypto-assets are being implemented by our global membership.

If we preserve alignment on those core features (i.e. transparency, risk management, market integrity and supervisory cooperation), jurisdictions can innovate within their own frameworks without fragmenting the global system.

This is what we will aim to do this year with our work on artificial intelligence, where we plan on exploring issues of governance and disclosures by firms and where we are developing a toolkit for supervisors who oversee firms that use artificial intelligence.

This is also closely related to the issue of financial health in a digitized world, which is a topic that remains a significant G20 priority. Digital finance has opened capital markets to millions of retail investors. It can genuinely help households to save and invest more effectively.

But retail investors are increasingly exposed to fraud schemes elaborated with the help of AI and propagated on large online platforms and social media. We also see behavioral risks amplified by gamification techniques, exposure to misleading online advice and scams, and algorithmic biases in robo-advice or automated financial recommendations.

Clearly, we need to educate retail investors to strengthen their critical judgment. For regulators, this means our traditional investor-protection lens must broaden. Financial resilience today is not just about access to markets. It is about building strong safeguards in a digital environment to ensure that trust remains.

This why we worked on recommendations for the regulation of neobrokers, of digital engagement practices and of influencers. These reports reflect the experience of our members, because only a truly global analysis can give the global perspective of how interconnected markets operate.