



IOSCO-OECD Roundtable on Empowering and Protecting Retail Investors

IOSCO Annual Meeting 2025

14 May 2025, Doha

Opening Remarks - IOSCO Board Chair

Good afternoon everyone,

This joint OECD-IOSCO roundtable turned out to be a successful tradition during recent years as we meet on the margins of the IOSCO Annual Conference. This is another great opportunity to discuss some of the frontier issues that are challenging our traditional regulatory approach to retail markets and investors.

We will hear from various senior leaders and the OECD what they are doing in their respective jurisdictions and capacities to enhance retail investor protection and education in an innovative way.

I always emphasize the important fact that financial intermediation is based on trust. It is crucial to ensure investors feel safe and markets operate free from abusive practices. Otherwise, they may distance themselves from capital markets. Investor protection is at the heart of what we are doing at IOSCO.

When we look at some of the evolving retail market trends today, it would not be wrong to say that retail investors are no longer a small investor segment, in terms of their impact on price formation.

Meme stock volatility and the Game Stop incident we witnessed a few years ago demonstrated clearly how powerful retail investor collective action can be and how it can create substantial volatility in stock markets.

There are various factors that contribute to increasing retail participation in markets today: increasing digitalization and online marketing; use of new AI technologies in retail service offerings; low-cost self-directed trading via mobile apps and online trading platforms; increasing influence of social media and “finfluencers” on retail investor decisions; use of Digital Engagement Practices (DEPs) by market intermediaries - or the so-called gamification –to name but a few.

The bottom line seems to be that issues which regulators must consider in ensuring appropriate market conduct go hand in hand with various emerging retail trends.

“Technology” is the key word here. All these technology-related trends have ramifications for market conduct and investor protection.

And IOSCO is either working on or has already published products on these important topics. Our Retail Investor Coordination Group (RICG) agenda is looking at important retail market trends such as finfluencers, DEPs, neo-brokerage activities, imitative trading practices,

fractional asset trading, and critically, combatting increasing online fraud in novel and creative ways.

Importantly, the recent retail trends have raised new challenges regarding the need to adequately inform and protect the retail investor community. Sound functioning of capital markets depends, among other things, on the ability of financial regulators to face the emerging risks posed by digitalisation and FinTech.

These new trends and risks not only increase the risk of mis-selling, but also exacerbate “herd behaviour” promoted by way of social media. We see an exponential escalation in fraudulent behavior and unlicensed activity, and thus in reported investor losses.

Fraudulent activity is mostly accompanied by aggressive online marketing via social media. In an environment where a vast amount of information comes from social media and investors are in search of yield, they increasingly turn to riskier products, sometimes with high degrees of leverage and without seeking financial advice.

These retail patterns may be manipulated through systematic targeting, to the disadvantage of uninformed and inexperienced investors.

Taken all together, we face an environment where retail investors are more vulnerable and incur more losses.

In an effort to combat increasing challenges of online fraud, IOSCO has recently published its International Securities & Commodities Alerts Network, in short, the “I-SCAN”, as a centralised hub, which compiles alerts from IOSCO members around the world. Investors and Online Platform Providers can check for warnings from trusted regulators about suspicious entities or activities and unlicensed firms worldwide. Hence, I-SCAN is dedicated to helping safeguard retail investors and offering them a global resource for staying informed and identifying potential misconduct risks.

I firmly believe that IOSCO and Platform Providers can work together in curbing unlicensed and fraudulent activity. In the spirit of collaboration, IOSCO is making an effort to work with Platform Providers to see how I-SCAN can be used to help them do their due diligence against unlicensed activity, as their platforms are widely used for offering retail products.

On top of all these efforts, it is also crucial to empower consumers through financial education. In Belgium, we have resolutely chosen to focus on a comprehensive financial education program organised by the FSMA, Wikifin, which consists of three pillars. The first pillar is the Wikifin website. That offers neutral, reliable and practical information in an easy-to-understand language for consumers, for ‘John & Mary in the street’. It attracts 6 million visits per year.

The second pillar focuses on John & Mary’s kids. With our approach via the schools, we wish to build pupils’ resilience from a young age. This way, they will be better able to interpret the numerous misleading messages and influence techniques, including on social media.

Finally, the third pillar is the Wikifin Lab, a unique experience centre, where young people can experiment with money matters. The themes presented in the Wikifin Lab reflect current challenges in society, e.g. the cost of living and budgeting, saving, techniques of influence by marketers, and cryptocurrencies. More than 30,000 pupils have already visited the Lab, which has always been fully booked.

I am convinced that exchanging best practices concerning financial education is enormously valuable. And I am pleased to see that this is also effectively happening within the INFE network of the OECD and within the C8 committee of IOSCO.

We have a lot to discuss today, so I will pause here.

Thanks for giving me the opportunity for these opening remarks. I wish everyone a fruitful and interactive discussion.