



**ICSA**

INTERNATIONAL COUNCIL of SECURITIES ASSOCIATIONS

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September 2, 2004

Mr. Andrew Sheng, Chairman  
Hong Kong Securities and Futures Commission  
8th Floor, Charter House  
8 Connaught Road Central  
Hong Kong

**Re: Proposed Panel Discussion on Investor Education at IOSCO's 2005 AGM**

Dear Mr. Sheng:

On behalf of the International Council of Securities Associations (ICSA), I am writing to you in your capacity as Chairman of IOSCO's Technical Committee. As you may be aware, one important focus of ICSA's work over the past few years has been in the area of investor education. To encourage the development of comprehensive investor education programs in as many jurisdictions as possible, earlier this year ICSA members endorsed ICSA's *Principles and Best Practices for Investor Education*. Currently, ICSA is in the process of creating a separate organization, to be called the International Forum for Investor Education (IFIE), that will: (1) serve as a forum for the exchange of information among providers of investor education; and, (2) promote best practices for investor education on a global basis. Membership in IFIE will be open to trade associations, self-regulatory associations, regulators and other organizations that provide or support investor education.

The ICSA members that will participating in the new organization, which are identified below, would like to host a panel discussion on investor education at IOSCO's 2005 AGM. An outline for the proposed panel is enclosed with this letter. The panel will provide an opportunity for IOSCO members and others to discuss innovative approaches to investor education in a variety of jurisdictions. Participants in the panel are expected to include some of the ICSA members that provide investor education as well as representatives from the U.K.'s FSA, the SEC, the Australian Stock Exchange and ASIC, among others.

I understand that it is very early to begin thinking about the panels that will accompany IOSCO's 2005 AGM. However, I am writing to you at this time because I believe that the proposed panel will be of great interest to IOSCO members. I will also be sending letters to Mr. Philippe Richard, Secretary General of IOSCO, and Ms. Jane Diplock, Chairperson of IOSCO's Executive Committee, regarding the proposed panel.

Thank you very much for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'N. Bannister', written in a cursive style.

Nick Bannister  
Senior Vice-President, NASD and  
Chairman, ICSA Working Group  
on Investor Education

## **Investor Education Panel at IOSCO's 2005 AGM**

Time: 1.5 hours

### **Session Title: Unlocking the Promise of Investor Education**

Investor education is increasingly seen as a key to improve market liquidity and stability by building investor competency and confidence. In actual practice, however, investor education programs often do not deliver on their promise, in part because providers underestimate the size of the task and ignore lower priority outcomes. This panel provides an opportunity for regulators and others to discuss strategies to ensure that their investor education programs meet the expectations of stakeholders.

#### **1. The Promise of Investor Education (10 minutes)**

This session examines the objectives of investor education programs in a variety of jurisdictions as well as actual outcomes of some existing programs with long-term verifiable track records.

#### **2. Investor Education Concerns Everyone (20 minutes)**

This session reviews some current examples of alliances between public and private sector providers of investor education, including the U.K.'s campaign to foster financial capability and the Alliance for Investor Education in the U.S.

#### **3 Mapping the Terrain (15 minutes)**

This session examines the importance of benchmark and follow-up surveys of financial literacy and other indicators, with examples from NASD's survey on financial literacy and the Securities Industry Association's bi-annual surveys on consumers' attitudes toward the securities market and financial intermediaries.

#### **4. Turning Information Into Knowing (45 minutes)**

This session presents innovative approaches to the design and delivery of investor education programs from a wide variety of jurisdictions and introduces the International Forum for Investor Education (IFIE), a recently created organization that will: (1) serve as a forum for providers of investor education in different jurisdictions; and, (2) promote comprehensive investor education programs on a global basis.

**Founding Members of the International Forum for Investor Education**

Australia Financial Markets Association, Australia

Bond Market Association, United States

International Securities Market Association, Switzerland

Investment Dealers Association, Canada

Japan Securities Dealers Association, Japan

The Korea Securities Dealers Association, Korea

London International Banking Association, United Kingdom

NASD, United States

Securities Industry Association, United States