

ISEEE Orlando Meeting 2013

Orlando Declaration



Orlando Declaration

- Capital Market Reforms needed to facilitate Job Creation and Economic Growth

Orlando Declaration

- Progress on: the Eleven Actions for Balanced Global Reform; on reforming Market Structures; and on facilitating Small Business Financing.

Orlando Declaration

- Balanced and Comprehensive Reform Needed, as originally outlined in the prior Orlando Declarations

Eleven Actions for Balanced Global Reform

- Action One: Improved Governance
- Action Two: Independence
- Action Three: Remuneration and Incentives
- Action Four: Regulators and Government Policy makers
- Action Five: Transparency:

Eleven Actions for Balanced Global Reform

- Action Six: Language
- Action Seven: Complexity and Understanding
- Action Eight: Ratings
- Action Nine: Oversight
- Action Ten: Deposit Protection
- Action Eleven: Open Government

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- Equity Market Structure needs principled reform not patching

Capital Formation: The detrimental impact of current market structure.

- 1.Recommendation:
 - Government authorities should focus on revitalizing the initial public offering (IPO) markets by working with the private sector to improve the market structure to provide more support and liquidity for small and micro capitalization companies.
- 2.Recommendation:
 - Government authorities should undertake a full analysis of the direct and indirect costs of going public and maintaining a public company to assure that the associated obligations are appropriate and reasonable for the size of the company.

Market Regulation: Oversight and Transparency need to be improved

- 1.Recommendation:
 - Countries must have a national (centralized) trading surveillance, data collection and enforcement system.
- 2. Recommendation:
 - Markets and industry participants should move to a shorter (minimum) settlement period and require a “hard locate” system to minimize certain abusive practices, minimize systemic risk and increase investor confidence.

Market Quality: Large and small capitalization stocks and investors are worlds apart.

- **1.Recommendation:**
 - Regulators should work jointly with the authorities of other markets to address the erosion of support for small and micro capitalization stocks and their investors.
- **2.Recommendation:**
 - Regulators should develop appropriate metrics of market quality for different market capitalization segments.

The crisis for financing small enterprises

- Controlling Mega market excess continues to strangle the IPO markets: More Professional Responsibility and less red tape is needed.
- Small Business Financing Crisis (SBFC) Task Force created by the ISEEE