

**50° Asamblea General y  
Reunión Anual de la  
Federación Iberoamericana de Bolsas  
(FIAB)**



**Foro de  
Inversionistas  
2023**

**JAVIER HERNANI  
CEO of BME**

**Panama, 14th of September, 2023**



Dear friends, good morning to all of you:

It is a great honor, for Spain and for me, to preside over the FIAB since the last time we held this position, 10 years ago. This will be the fourth time that the Spanish stock exchange has chaired the organization since its foundation.

I would like to begin by thanking you for your confidence in me as president and in Juan Pablo as vice-president for this 2023-2025 period. I reiterate our commitment to FIAB and I hope to live up to the responsibility I am assuming.

FIAB's Vision and Mission

Capital markets are going through an unprecedented period of challenges, complexity and strong competition.

The scarcity of IPOs is a common denominator in stock exchanges around the world, which is increasing with a strengthening of the role of private equity and bank financing. This situation is not accidental, but the product of a perception of the markets as venues that are difficult to access and excessive regulation.

Nothing could be further from the truth, stock exchanges are a solid financing tool with a great capacity to face the countries' macroeconomic setbacks, and the most relevant and prosperous economies are those with the most robust stock markets, as they are a key element for their development.

We face a totally globalized world, but with differences between regions. There is a common denominator of regulatory pressures and divergences that we navigate and adapt in each of our jurisdictions. Furthermore, we provide our participants with all the tools at our disposal to enable market participants (issuers, investors, suppliers and our own staff) to meet challenges such as adapting to a new regulatory environment and new technologies without losing sight of the client's perspective.

We are aware of the prominence of markets such as the United States, which bring together and attract a large number of companies to the detriment of local

markets, despite the fact that, due to our position, we know the particularities of each region and offer tailor-made solutions that are effective and well-tested.

Indeed, FIAB has been developing its activity for 50 years with the aim of promoting the development and integration of securities markets in Latin America. Therefore, one of our most immediate objectives must be to promote competitiveness. We need to make it a priority to reverse the situations that limit us in our activity, not only at the operational level, but fundamentally in our approach to those involved, among which I would highlight the regulators.

As stated in the Federation's letter of intent, our objectives are to promote the development and improvement of our securities markets as well as their integration, standardize regulations and promote rules and procedures that protect participants.

Therefore, the basis of our actions must respond to a vision focused on positioning the region's markets as a real, necessary and complementary alternative to bank financing, recovering the reputation of the stock exchanges and allowing the incorporation of new instruments to our markets, through close and fluid communication with our regulators.

We are at a crucial moment to position the FIAB and Latin America as a primary and strategic partner, key to the integration of the markets. FIAB has the strength, trajectory and capacity to do so, but it is essential to join forces and collaborate even more closely if possible in developing the initiatives we are considering, and to speed up the transformation process so that the changes are truly efficient.

#### The Objectives of the Mandate

Olga's presidency has not been without challenges, both external (such as managing a mandate marked by virtual meetings due to the pandemic) and internal, promoting strategic alliances and positioning FIAB as a highly relevant partner in the regional and international scenario.

The achievement of the objectives set is a clear demonstration of the work and dedication, in which the support of Claudio, Patricia and Silvia, as well as the efforts of Miguel Angel as coordinator of the Working Subcommittee, have all been very positive and deserve all our recognition.

This success is also proof of the commitment of the members of the Executive Committee and the Working Subcommittee, whom I would like to thank for their work.

As Vice-President of the FIAB, I have been able to work with Olga over the last two years to promote an ambitious and forward-looking work plan for the Federation.

Continuing in that spirit, Juan Pablo and I have proposed a program for the coming period based on four pillars:

- Strengthen FIAB's position as a priority partner of the Latin American securities industry and increase its visibility.
- Consolidate strategic alliances and finalize those that are in process.
- Intensify the work areas of the different committees and set specific objectives.
- Foster the integration of the region's markets and support the stock exchanges in their knowledge, networking and development by collaborating with other markets in the Federation.

To this end, and as a first step, I would like to propose Olga Cantillo as the head of the Working Subcommittee.

FIAB represents an important space for collaboration between the exchanges and markets in the region. The dynamics of work in the groups have advanced at different speeds, as indicated in Miguel Angel's summary of activities. In general, the working groups have been able to resume their activity through remote sessions, usually convened by the group leaders and around the face-to-face sessions. The participation of the members has been broad in many cases at the remote level and to a lesser extent at the face-to-face level.

I would highlight, as part of the line of action for this mandate:

- Encourage and promote the active participation of all member exchanges in the working groups.
- Develop a new regulatory committee to monitor the different regulations in the region, create synergies between FIAB members and facilitate the integration of markets, in addition to observing the practices of other jurisdictions. Culminate FIAB's membership in IOSCO.
- Continue the very positive and accomplished work on disruptive technologies and cybersecurity. Organize and expand the FIAB Hi-Tech conferences.
- Continue working on clearing and settlement in the migration of the settlement cycle from T+2 to T+1 among FIAB members with the information and collaboration of entities such as ACSDA.
- Sustainable Finance: Increase the promotion of sustainable finance among our members. Improvement of the annual survey and integration with SSE criteria and other related entities. Updating and maintenance of data on the sustainable FIAB website. Culminate the consultancy with CAF, begun in the previous term, as part of the work to update the study of macro inhibitors of securities markets.
- Value-added services: 13 different initiatives were identified within exchanges and warehouses with interest to deepen among members. Analyze next steps.
- Alternative products: The working group was reactivated and we were able to work with the Inter-American Development Bank on a study on stock exchanges and MSMEs. Distribute and give visibility to the Report that we presented at this Assembly.
- It is essential to take advantage of the alliances established in the last period with organizations and entities of international scope in order to strengthen the role of FIAB as a fundamental partner in the region.

**WFE:** Strengthen the collaboration achieved through the MoU signed last year. Share updated information on those issues that are a priority for FIAB

(cybersecurity, operational resilience, regulation, products and sustainability) and which will enrich the work of the various committees.

**ACSDA, AMERCA, IDB and IDB Invest:** Continue the work with the support of and in collaboration with the different entities. Extend the collaboration framework to those services related to the activity of the stock exchanges and post-trade infrastructures that may benefit FIAB members.

**SSE:** Make available to the Sustainable Finance group the resources that may be useful for the SSE so that the work related to good practices in sustainability and good governance are consolidated in the FIAB markets.

- Strengthen and expand the capacities of the Federation's general secretariat.

One suggestion to speed up FIAB's work is to cover more ground and intensify the technical aspect is to have a full-time technical staff, similar to other international associations. This would allow for centralized curation, standardization and more efficient time management.

On the other hand, having a strong technical team in FIAB could increase the value for members to the extent that the team is available to accompany the exchanges on different issues in their respective markets.

Many exchanges invest in research, projects, economic analysis or sustainability areas that are investigating the same issues separately. An integrated view could make the work of the members more efficient and save coordination costs, among others.

The technical team could also support members in dissemination and education activities with markets, as well as selected commercial activities. It could also be returned to increase motivation among members for greater participation.

I also suggest alternating meeting locations outside of Buenos Aires in order to reconnect with member exchanges and their leadership.

## Acknowledgement and Conclusion

With all of the above, any initiatives proposed by members will be of great value and we will gladly analyze and incorporate them into the plan.

Thus, I would like to thank the members of the executive committee for their support:

José Manuel Ometo	B3
Adelmo Gabbi	Bolsa de Comercio de Buenos Aires
José Antonio Martínez	Bolsa de Comercio de Santiago
Francis Stenning	Bolsa de Valores de Lima
Rodrigo Callizo	Bolsa de Valores y Productos de Asunción
Olga Cantillo	Latinex
José Manuel Allende	Bolsa Mexicana de Valores
César Restrepo	Bolsa Nacional de Valores
Elianne Vilchez	Bolsa de Valores de República Dominicana

Finally, I must once again thank Olga and the entire Latinex team for the fantastic organization of this event, in which we meet again in person and which will surely mark the beginning of great successes for the capital markets in Latin America, while I reiterate my commitment to the Federation and to each of its members.

I give the floor to JPC