

Opening Address
Mr. Osborne Nurse, Chairman
Trinidad and Tobago Securities and Exchange Commission
Conference of Caribbean Securities Regulators
“Regulating Caribbean Securities Markets: Contemporary Issues and Challenges”
October 21st, 2004
Trinidad Hilton and Conference Centre

On behalf of the Trinidad and Tobago Securities and Exchange Commission, I take pleasure in welcoming each of you to the first regional Conference for regulators of the Caribbean region.

This Conference has its genesis in an idea that was born in this very location some two years ago, when Trinidad and Tobago and the Trinidad and Tobago Securities and Exchange Commission hosted the Conference of the Council of Securities Regulators of the Americas (COSRA) in February 2002.

At that Conference, aware of the fact that regional securities regulators only met as a group at COSRA Meetings or at the annual conference of IOSCO – the International Organisation of Securities Commissions – regulators from Trinidad, Jamaica, Barbados, Bahamas, and the Eastern Caribbean took a decision to form an Association of Caribbean Securities Regulators.

The agreed purpose of the proposed Association was to give securities regulators in the region opportunities to discuss problems that may be peculiar to the region, given the stage of development of Caribbean markets, the fact that all regulators in the region may not be members of IOSCO and/or COSRA – (at conference of these organisations, Caribbean representation typically came from no more than 5 jurisdictions) – and the fact that it was less than satisfactory for regional regulators to have to travel all over the world in order to talk to each other!

In seeking to implement this decision regional regulators – meeting at IOSCO and COSRA – decided that it would be most effective to first create an opportunity for exchange and discussion among as many jurisdictions as possible, before creating a formal structured organization. This conference, which we at the Trinidad and Tobago Securities and Exchange Commission agreed to host, is intended to provide precisely that opportunity for exchange and discussion.

This brings us to how we sought to organize the discussion. The concept of discussion and exchange of ideas and information among regulators is one of the Core Principles of regulation proposed by both international securities and banking regulators. All of our members subscribe to this and this conference is a means of putting this principle into effect, notwithstanding the legal limitations that many of us currently face. We felt, however, that we should take the opportunity to extend the discussion to include, not only

securities regulators, but also banking regulators, our stock exchanges and market participants, as well as other members of the public.

For the most part, regulators talk to their market participants when there are new regulations being proposed, or on similar occasions. We are convinced that our effectiveness as regulators will be enhanced by open discussions with our market participants and are proud to provide an opportunity for having such discussions. We have made strenuous efforts to ensure that among the presenters are practitioners who are very active in our markets and we are encouraged by your attendance here today, and look forward to your participation during the course of the day.

Tomorrow's deliberations have been reserved to allow our regulators to reflect on the views that we look forward so eagerly to hearing today.

The three topics that we have chosen for discussion over the two days of this Conference reflect the growing coverage of our regional economic space. A number of our larger corporate entities in the region have grown as conglomerates, including, in some instances, operations in banking, finance, insurance, and the securities industry. Conglomeration creates concerns for different regulatory authorities in many of our countries and we have invited banking regulators and some of the conglomerates themselves to help us to understand the phenomenon and the challenges for us as securities regulators.

In addition to the challenge presented by conglomeration there is the fact that many of these conglomerates, as well as other entities, are increasingly seeking to list their shares and to issue debt securities on multiple exchanges and markets in the region. We are seeking to find an appropriate insight into the impact that such cross listing has on each of the regulatory jurisdictions.

Finally, we recognize that Collective Investment schemes or Mutual Funds are among the fastest growing financial products in the region and that apart from the offshore jurisdictions, where these products are the major investment products, some jurisdictions, like Trinidad and Tobago, are lagging behind in our regulation of these instruments.

Ladies and gentlemen, with this understanding of the rationale and structure of our Conference, I now invite you to participate vigorously in today's proceedings.

Once more, I say a hearty welcome to you all.