



25th IOSCO Annual Conference
Sydney, Australia

Opening Ceremony Remarks

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Opening Ceremony
Of the 25th Annual Conference
Of the International Organization of Securities Commissions

Address by Michel Prada
President of the Technical Committee of IOSCO
President of the *Commission des Opérations de Bourse (COB)*
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Sydney

Treasurer,
Committee Presidents,
Ladies and Gentlemen,

The Annual Conference of the International Organization for Securities Commissions provides an opportunity for the international community of regulators to assess the situation of financial markets, to review the effectiveness of our activity and to re-evaluate our plans for the future.

This year is an historic one, marking the passage into the new millennium. It is also a very special year for Australia, which is hosting the Olympic Games. I am, therefore, delighted at the decision to devote a large part of this Conference to a consideration of the profound evolution which has touched both the mission and the means of financial market regulators.

This evolution is as much about the globalisation of financial markets in a context of increased competition, intense technological innovation and the reform of traditional statutes, as it is about the effective setting up, at a world level, of a network of regulators. Regulators who are united by their acceptance of a body of common principles and by their growing desire for active cooperation and mutual trust.

The 25th Conference confirms this desire since we will be announcing a decision which will have important ramifications for the international financial community. After 10 years of collaboration with the International Accounting Standards Committee, the members of IOSCO have decided to recommend that the international accounting standards developed by the IASC should be used for financial operations and cross border listings.

This is an historic decision for the Organisation and even more so for global financial markets. The use of harmonized accounting standards around the world will mean that companies can conduct their international dealings on the basis of a unique set of accounts. But above all investors will at last be able to compare the performance and financial results of these companies and consequently arrive at a more faithful and truer image as the basis for their investment decisions.

This decision structures financial activities. It will have as great an impact as and similar consequences to the decisions made in the banking sector several years ago regarding prudential ratios.

It also indicates that market regulators have the capacity to respond to globalisation of markets through the adoption of the objectives and principles of the Organisation approved in 1998. IOSCO has also manifested its desire to continue to participate in the ongoing development of the body of international accounting standards according to modalities which are to be determined in the context of the current structural reform of the IASC.

In many ways, it is appropriate that this important demonstration of our common determination takes place in the context of our Annual Conference in Sydney.

As we contemplate the immensity of the task at hand for regulation, a fitting model would be that of the brave and entrepreneurial generations that were able to turn Australia into a stable and prosperous economy, whose democratic institutions are particularly respectful of individual rights and freedoms. And this in the space of two centuries.

Fortunately, we are far from the initial difficult times of the first colonisers. We are no longer preoccupied by the necessity of finding a way over the Great Dividing Range, coping with endless droughts, flash floods and devastating bush fires or the great wars where the valorous units of ANZACs, the famous Australia and New Zealand Army Corps, won fame, recently commemorated in your country. (Landing in Gallipoli in the Dardanelles on 25 April 1915 - Anzac Day, National Public Holiday 25th April.)

Despite this, it seems that Australia has been able to keep alive the flame that helped her meet those challenges and fight those battles in the past. The unique courage and creativity which were instrumental in yesterday's victories are, without doubt, still at work in the performance of your country today. How else can we explain the remarkable economic growth, the mastering of public finance and the access of the Sydney market to second position in the Asia-Pacific region? These are all evidence of the determination of a nation which is still capable of reinventing itself in order to face the challenges of the new century.

As President of the Executive and Technical Committees of IOSCO, I have been able to observe on a personal level, how much these exceptional qualities have inspired the ASIC team. I also know that many of us here appreciate the serious-mindedness and dynamism of ASIC. I must add, though, that being serious doesn't prevent ASIC from having a sense of humour, which is evident in the warnings for gullible consumers posted on the Internet. The section "gull awards" on the ASIC site, which educates investors in a good humoured manner, is a wonderful model of public relations.

The professionalism and human qualities, which have always been a feature of ASIC, have given it a special place amongst the member commissions of IOSCO. The successive mandates of its President, Alan Cameron, at the head of the Executive Committee of IOSCO from 1994 to 1996 and at the head of the Joint Forum until recently from 1997 to 1999, have marked the history of our institutions. He directed the statutory reform and the fundamental work of the association with efficiency and diplomacy. ASIC has also brought to IOSCO the efficient participation of a working group President in the person of Greg Tanzer, and the current Secretary-General of the Organization, Peter Clark. This highlights the important role played by the Australian Commission in the life of IOSCO.

I would also like to add, on a more personal note, that because I come from the South West of France, where great sailors and great rugby men are truly appreciated, I'm really delighted to be visiting the country which my compatriots hold in esteem as a noble and excellent example in the practice of these two gentlemen's sports.

I would like to conclude by expressing my gratitude and compliments to our Australian friends for their remarkable organization and for the warmth of their hospitality in this wonderful city of Sydney. I sincerely hope that they will keep the flame that motivates them alive and they will certainly carry it with pride and success at the coming Olympic games.