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Opening Ceremony

Mr. Jungjae Lee

Chairman of the IOSCO Presidents' Committee
Chairman of the Financial Supervisory Commission
Governor of the Financial Supervisory Service of Korea

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Opening Remarks

Jungjae Lee
Chairman of the Financial Supervisory Commission
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Korea

Honorable Chairman of the Executive Committee of IOSCO, Fernando Santos, Secretary General Philippe Richard, representatives of securities regulators from member countries, distinguished guests, ladies and gentlemen!

Before I begin, I would like to extend my deepest appreciation to all of you for your participation in this year's conference.

I believe that the gathering of regulators at this conference is particularly meaningful. For the next two days, we will discuss some of the major international concerns regarding transparency and credibility in the corporate and financial market under the theme "New Challenges for Securities Markets and Regulators."

In recent years the world's financial markets have experienced a series of financial incidents that have cast serious doubts on market transparency and fairness. Market credibility has been particularly questioned in such areas as corporate management, accounting and disclosure practices, and credit assessment systems.

We need to recognize that in today's increasingly global financial market the potential adverse effects of declining investor confidence are no longer limited to any particular financial institution or a company.

Weakened investor confidence can have serious contagious effects on not only the industry itself, but also on the economy as a whole.

Korea's regulators are well aware of this and are taking aggressive steps to protect and enhance investor confidence in our financial market.

In fact, since the financial crisis in 1997, Korea has continuously worked on building systemic soundness within the market, with the aim of improving market transparency and fairness.

Toward this aim, significant restructuring including closure of nonviable financial institutions and companies has been taking place. Also, we have raised our accounting and disclosure rules to the level of international standards.

In full support of this restructuring effort, the new administration has placed its top policy priority on establishing “autonomous, transparent, and fair market discipline.” Other reform tasks are also being pursued in the order of priority.

I want to emphasize that with the fast expanding globalization, the responsibility for safeguarding transparency and fairness in the global financial market should no longer be limited to a few particular countries.

Regulators from all member countries have to work together as we endeavor to restore market confidence. I believe this is a goal, shared by all of us who are gathered here today.

Dear colleagues, it is about time we exerted our collective efforts in achieving that aim. Only when such international efforts are sustained, will we be able to see the success in each economy and effectively prevent the expansion of credibility crises from one region to another.

I believe the topics of the four public panel discussions touch upon the very

important tasks in which all member countries must seriously engage.

The topic for the first panel discussion is “Increasing Disclosure - As a Key to Improving Investor Confidence.” The second panel will discuss the issue of “Regulating Credit Rating Agencies.” The third panel covers “New Stringent Avenues of Corporate Governance.” And the final panel discussion will review “Combating Financial Crime Globally.”

Although this conference will be only for two days, I believe we can still accomplish many things.

Most importantly, we can develop concrete, practical plans for strengthening investor confidence and market transparency.

In-depth discussions involving a wide range of views of both the panelists and their audiences will certainly make it possible. For that, your active participation will be crucial.

In closing, it is my sincere hope that each of you will gain better insights into ways to improve market confidence and identify further course of actions in accordance with your own situation in your home country.

Thank you.