

**Discours introductif au panel OICV n°1 de M. Jean-Pierre Jouyet, Président de l'AMF France  
Montréal, le 10 juin 2010**

**« STRIVING FOR A COMMON REGULATORY APPROACH »**

Cher Jean Saint Gelais, je voulais faire tout mon discours en français, pas uniquement parce que la loi 101 m'y obligerait au Québec, mais parce que je sais tellement mieux exprimer dans notre langue commune mes préoccupations. Mes collaborateurs m'en ont empêché car je risquais de ne pas être compris de tous.

Dear Jane Diplock  
Dear Cathy Casey,  
Ladies and Gentlemen,

Let me first welcome the distinguished members of this panel and thank them to have accepted to debate on the theme chosen: **“Striving for a common regulatory approach”**.

I'd like to welcome warmly:

- Mr Robert Bunting, President of the International Federation of Accountants
- Mr Masamishi Kono, Vice Commissioner for International Affairs at the Financial Services Agency of Japan
- Mr Deven Sharma, President of Standard & Poor's
- Mr Nehal Vora, Head of Policy at the Bombay Stock Exchange

- In order to introduce the discussion, I would like to point out what is at stake.
- Since the crisis and more than ever before, the issues we face are global, interconnected, as is today's financial world.
- This globalisation requires, more than ever, that regulators work together to address ongoing issues and emerging systemic risks.
- The crisis also underlined the weaknesses in our regulatory system. International fora and organisations were not able to anticipate neither to respond properly, and in due time, to the crisis.
- What do we need?

(1) We need stronger international standards to better address the risks;

(2) We also need to monitor the implementation of international standards to facilitate cooperation and move towards mutual recognition

**1. Stronger international standards to better address the risks.**

- In this regard, let's acknowledge the first steps taken by the G20 and the FSB.
- The G20 strengthened the commitment of Policy makers in financial regulation, which is good. Right issues have been identified, first answers have been given.

- A lot has been done, but is it sufficient?
- The speed of the reform is too slow, and regional reforms are going faster, putting at stake the capacity to have consistent rules at a world wide level.
- G20 and FSB lack sufficient powers and means to set up consistent and comprehensive rules and recommendations that we all commit to implement.
- Moreover, although prudential regulation was at the center of G20 and FSB work for obvious reasons, no sufficient attention is given to market regulation. However, there is a lot to do in terms of complex products and securitisation, and in terms of derivatives markets (CDSs, short selling as the common Franco/German statement has rightly pointed out).
- In this regard, IOSCO needs to be even more responsive and active towards the FSB. For this, we have decided to review our governance to be more efficient and straightforward. The standards setting process should be more open to emerging countries and middle-sized markets that play an efficient regional role in the financing of the economy.
- This is the whole purpose of the current so called "Strategic Direction" reforming the governance of IOSCO, conducted under the dynamic leadership of Jane Diplock.
- Much has already been done in addressing some substantive issues, like the recommendations of the Task Force on Unregulated Markets and Products, for example, or the recommendations on hedge funds. But more work should be done in these areas to really fully achieve a consistent set of standards.
- Principles should give rise to exchanges of views with the industry, to make sure that the cure won't kill the patient! But let me be clear: dialogue doesn't mean automatic agreement! Industry has also to understand that better regulation is in its interest too.

**2. But we also need to monitor the implementation of international standards to facilitate cooperation and move towards mutual recognition.**

- It is indeed not enough to set rules or principles, as good as they may be, if we cannot control whether and to what extent they are implemented at a national level.
- That is why we have to closely monitor the implementation of international standards at a national level. And that is, in particular, the role of the assessment organised by the IMF and the World Bank. International financial institutions have a leading role to play in that field. The stronger the gatekeepers of the international norms are, the more these norms will be considered as binding.
- The FSB plays a role too in addressing this issue through peer reviews, a good way to ensure that we are all moving along a common path.
- IOSCO is best placed to enhance cooperation and coordination between regulators. In this regard, I have to point out the importance of the MMoU (multilateral memorandum of understanding) on exchange of information, or the work done by the Task Force on Supervisory Cooperation.

- To my view, all these initiatives should help promoting mutual recognition, which is what we should be aiming at.
- However, on some issues we are progressing. I'm thinking of all OTC markets that have to be reintegrated within the scope of regulators. In this regard, I have great expectations regarding the beginning of the work launched by the FSB, in which IOSCO participates and where Europe, Asia and the United States seem to be on the same path.
- On some others, I am more pessimistic.
- I will take the example of the recent developments regarding the setting up of international accounting standards. The FASB's decision to widen the field of the "fair value" is not good news for international convergence in an area of great importance.
- In this area like in others, our goal needs to be the convergence of national rules at high level and common-agreed requirements, in line with international standards.
- But now, let's listen to the other panellists' views and experiences.

Thank you very much.