

Trinidad and Tobago Securities and Exchange Commission

CAPITAL MARKET DEVELOPMENT WORKSHOP

-Welcome Address-



Address by the General Manager (Ag.)- Mr. Charles de Silva

Hyatt Regency Trinidad- Regency II

March 10th, 2010

ADDRESS

Good Morning Ladies and Gentlemen,

It is my pleasure to welcome you to this Capital Market Development Conference and, to the visitors in our midst, a special welcome to Trinidad and Tobago. I would like to recognize Ms. Deborah Thomas-Felix and other members of the board of Commissioners, Ms. Therese Turner-Jones, Program Coordinator of CARTAC, Dr. Robert Fisher of the US SEC and his team, and Mr. Howard 'Skip' Edmonds, Financial Sector Supervision Advisor of CARTAC - a special good morning to you all and to our fellow regional and local regulators and participants, management and staff of the TTSEC.

This Conference has been organized under the joint sponsorship of CARTAC, the US Securities and Exchange Commission and the Trinidad and Tobago Securities and Exchange Commission. In many ways this seems like a gathering of old friends as both the US SEC and CARTAC can now be considered long-time collaborators with the region in the provision of training for regional securities regulators.

You may recall that two years ago, almost to the day, we gathered at this location to launch an event very similar to this one. Then, as now, both the US SEC and CARTAC were involved in the role of sponsors, and participants in the program included not only securities regulators but also other financial sector regulators and legal authorities here in Trinidad and Tobago and from throughout the region. The support of CARTAC has been invaluable in facilitating attendance by participants from CARTAC member countries and for this they deserve our special thanks. We are similarly grateful to the US SEC for their generosity in providing such a high-powered team of experienced presenters in Kara Brockmeyer, Dr. Robert Fisher, Kurt Gresenz and Jim Reese.

Although this event is organized on a somewhat smaller scale, I find it particularly gratifying to have with us as many as eleven of our colleagues from other Caribbean jurisdictions, some of whom were with us as recently as last week when we hosted in Port of Spain a workshop on Regional Financial Stability, also with the sponsorship support of CARTAC, this time working in conjunction with the Caribbean Centre for Money and Finance. We also welcome the presence of participants from the office of the Chief Parliamentary Council, the Financial Intelligence Unit, the Office of the Attorney General, the Trinidad and Tobago Stock Exchange, and the Central Bank of Trinidad and Tobago.

The line-up of topics seems particularly relevant to many of the challenges currently being faced by regulators in the region, and not least by the Trinidad and Tobago Securities and Exchange Commission. This of course is neither a coincidence nor a surprise given the process of consultation and careful needs assessment that would have helped to inform the preparation of the agenda.

After what seems like an interminably long wait the TTSEC now appears to be on the verge of having available to it new legislation that will significantly enhance its powers of regulation and supervision of the securities sector. Among the new powers that the SEC will have at its disposal is the power to conduct onsite examinations of the operations of market actors such as broker/dealers and investment advisors. Since this is a process with which the TTSEC will obviously be unfamiliar at this stage we will be looking forward with perhaps more interest than usual to the presentations on the agenda that promise to address specifically the Supervisory Process for Broker/Dealers and Investment Advisors and Broker/Dealer and Investment Advisor Examinations.

The session on Remedies and Settlement Strategies will also hold special interest for us given the TTSEC's current focus on addressing what has grown to a large number of outstanding contraventions. I am sure the

other regulators in the room have also identified their own areas of special interest to which they are looking forward with similar high anticipation.

Nevertheless, one area in which I would expect that we all have a large common stake is that of risk-based supervision. While this approach has not yet taken firm root among regional regulators I firmly believe that it is an idea whose time has come. For small regulatory agencies such as ours facing the constraints of limited resources the risk-based approach holds out the promise of gains in both the efficiency and effectiveness of financial sector supervision by allowing for better diagnosis and targeting of financial sector vulnerabilities. But it is an approach that will require some capacity building and investment in expertise. In the context of our increasingly integrated capital markets here in the region, this is a challenge which we may want to consider addressing at a regional level, and one with which our friends at CARTAC may be well placed to assist. This conference may present a good opportunity to begin that discussion.

Welcome once again to all of you. We like to encourage our visitors to take some time out to sample a bit of our culture and to check out some of the sights and sounds of our beautiful country. Although I recognize among you the faces of some frequent visitors our invitation remains open to all. We have an excellent agenda ahead of us and I am sure we can look forward to two and a half days of stimulating discussion.

Thank you.