



Welcoming remarks

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Good morning fellow capital market regulators who are members of the International Organization of Securities Commissions Asia-Pacific Regional Committee (IOSCO-APRC).

Distinguished guests

It is a great honor and privilege for me to welcome all of you to the IOSCO-APRC Seminar. Since many of you are from the Thai public and private sectors, I wish to spend the first minute introducing you to the IOSCO.

The IOSCO is a multilateral organization of capital market regulators from all over the world. It is recognized today as one of the world's key international standard setting bodies for securities supervision. Together, the IOSCO members regulate over 95 per cent of the world's capital markets. The SEC Thailand has been one of the IOSCO's ordinary members since our early years.

This regional committee comprises capital market regulators from 21 countries. I am happy to say that today we have chairpersons as well as senior representatives from 18 of them sitting in this room. We also had the pleasure to welcome the IOSCO Secretary-General Mr. David Wright, who joined the APRC meeting yesterday.

Several of you in this room, especially participants from the Thai industries may wonder what happened in a room full of regulators. What did we discuss?

A meeting with one regulator is serious enough; now try to imagine what happens in a room full with almost 20 regulators!

Well, from the meeting we had yesterday, I think we manage to do very well, thanks to the leadership of Chairman Sinha, Chairman of the IOSCO-APRC who is also the Chairman of the Securities Board of India. We discussed about the global capital market development. We exchanged views and shared our recent experiences so that we can learn from one another and do our best to ensure our integrity and avoid any unnecessary disruptions in our capital markets.

As the global financial markets are becoming more integrated, interruption in one market may turn into a regional or global event overnight. So we did spend lots of time yesterday talking about supervisory cooperation. How much collaboration we had during the past year, and how we could do it better next year.

Ladies and Gentlemen,

I now want to introduce you to today's seminar. We are having two very interesting panel discussions this morning. The topics of both panel discussions may be quite different from each other, but they are indeed important and related not only to regulators but also to all stakeholders in the capital market arena.

The first panel discussion focuses on SMEs. Why is this important? While SMEs are the backbone of many countries' economy, financing options for SMEs have always been limited and inadequate. The discussion focuses on how raising funds through capital market can reduce the SME financing gap. In Thailand, for example, SMEs are the key driver of the Thai economy, generating 37 percent of GDP, 28 percent of the total export value, and 78 percent of the national employment. Yet, they have relatively little access to capital resources and are not keen on utilizing capital markets to enhance their business performances and efficiency.

Hence, the SEC Thailand has recently introduced several initiatives, including the SME bonds, and the "Pride of the Province" project, which is designed to reach a large pool of provincial businesses that have potential and capability to go public but have not done so. Series of educational and training programs have been

introduced to SMEs, along with the policies to lower the cost of fund-raising activities.

Although we've done lots of work in this area, there is still much more that needs to be done. Fortunately, we can shorten the process by learning from the experiences of other capital markets. This is why I am very grateful to have:

Chairman **Ranjit Ajit Singh**, our close friend from the Securities Commission of Malaysia. Malaysia has been known for its success in promoting venture capital businesses that helps nurture SMEs.

Also, we have today **Mr. Pyoung-ho Shin**, Executive Director of the Korea Exchange Inc. Mr. Shin has been heavily involved on the establishment of the Korea New Exchange or KONEX, which is a new market place for SMEs.

In addition, we are very fortunate to have **Mr. Pongsak Lothongkam**, the CEO of the SVI Public Company Limited. Khun Pongsak is widely known internationally as one of the top venture capitalists whose track record has spoken for itself.

This very interesting panel will be moderated by **Mr. Pinit Puaphan**, the Managing Director of KTZmico Securities Company Limited. KTZmico is a well-known securities firm in Thailand and in the region, especially for its pro-active business strategies. I am sure you'll find the discussion very informative and useful.

Now, moving to the second panel. It centers on how the asset management industry can capitalize on the new financial landscape. All of us have witnessed new directions in regulatory policy, which is more open and accessible. We have seen the increasing needs for risk diversification and the quests for higher returns from institutional investors as well as retail investors. Global funds are moving to Asia. The investment horizon has been enlarged, how can asset management firms be pro-active and take full advantages of this new environment?

It is an excellent occasion to have such a strong line-up of panelists. We have two distinctive panelists representing regulators' viewpoints. They come from two global financial centers of fund management industries, Hong Kong and

Luxembourg,

Mr. Ashley Alder, the CEO of the Securities and Futures Commission of Hong Kong, and

Mr. Jean-Marc Goy, the Counsel for International Affairs of the Commission de Surveillance du Secteur Financier, Luxembourg.

Equally, we have two distinguished panelists representing the private sector,

Ms. Corinne Cheok, Head of Distribution for Asia-Pacific, Aberdeen Asset Management Asia Limited; and

Dr. Somjin Sornpaisarn. Dr. Somjin wears multiple hats. He is the CEO of one of the leading fund houses in Thailand, TMB Asset Management Company. He is also the Vice Chairman of Federation of Thai Capital Market Organizations and the Chairman of the Thai Association of Investment Management Companies.

This second panel will be moderated by our own, **Ms. Tipsuda Thavaramara**, Senior Assistant Secretary-General of the SEC Thailand, in charge of the Strategy, Risk, and Market Division. Ms. Tipsuda has been very instrumental in promoting strategic policies to enhance competition and efficiency in the Thai capital market.

Ladies and gentlemen. This year marks the 20th anniversary of the SEC Thailand, and I am happy to see a closer working relationship among the SEC Thailand, our stakeholders, and counterparties, domestically as well as internationally. On the international front, as I stressed before, the need for regional cooperation is even more important. So I am grateful to play host to this year APRC meeting and today's seminar.

I wish to thank all my fellow APRC regulators and the IOSCO General Secretariat who come to Bangkok for this important gathering. I hope you had an enjoyable stay in Bangkok. I wish to also thank all of you, who represent various Thai public and private institutions. I truly hope you find today's seminar knowledgeable and fruitful. Thank you very much.
