



## **PARIS EUROPLACE FINANCIAL FORUM**

**July 11 and 12, 2002**

### **Opening address**

**By Marc Viénot, Chairman, Paris EUROPLACE**

I am very pleased once again to open this new session of our Paris Europlace Financial Forum.

We welcome all participants: members of our Association, players in the Paris Financial marketplace, representatives of the government and regulatory authorities, representatives of the press. A particular welcome to all our friends from abroad, who bring its real dimension to our meeting.

As in years past, the overlying theme of our meeting is Europe and its growing openness to the world. I am particularly pleased to welcome Mr. Bolkestein, European Commissioner for the Internal Market, who will speak to us at the end of the first Round Table.

There are three points I would like to address to Frits Bolkestein.

I want you to know that in coming to Paris, you are visiting a financial market which has, from its very beginnings, worked with determination, force, and imagination toward the integration of European financial markets.

Secondly, I would like to say that we fully support the Commission in its efforts to include, within a harmonized framework of financial market law, an important aspect which has been missing up until now—the directive on takeovers bids. This directive is even more important recently with the unprecedented number of mergers within the European economy. Moreover, we are paying close attention to the implementation of the Investment Services Directive. The French financial market has expressed its opinion on this subject, as it did recently on ATS and the internalisation of orders.

We are also very interested by the works underway concerning the venture capital.

Finally, market participants in Paris have decided to better organize their contribution to European works and we will participate more intensively in the working groups of European institutions.

We have invited David Wrigth, Director at the European Commission, to participate in an important conference yesterday on venture capital. We have clearly understood his message concerning the necessity to go further towards more integrated European markets, to improve the financing of young companies.

This year, in this period of market turbulence, and with questions being raised on numerous subjects such as corporate governance, accounting information, etc. we have decided to address several fundamental issues. These include how to accelerate European market integration, and how to better incorporate long term considerations in the relationship between businesses and financial markets?

\* In our first Round Table participants will examine the progress already made toward market integration, but will also point out in the measures needed to accelerate this integration.

We are convinced that this integration, sought after by issuers, investors and financial intermediaries, is a strong factor of growth. This is based on the condition that European financial markets find the best adapted system of regulation, with the right mix of harmonization at the European level and of localization among the participants on the various financial markets. In this respect, we are pleased with the creation of CESR - the Committee of European Securities Regulators- resulting from the Lamfalussy recommendations. This is the first major step in the evolution toward European regulations. Obviously, we have to move even faster in this direction.

\* The second round Table is entitled “Companies and Markets: How do Financial Markets value the long-term perspective?”

Today, business leaders are concerned about the increasing volatility of their share price. The question is also raised as to the valuation of listed companies by the markets. We must find answers to these questions, integrating the long-term prospects while satisfying the interests of shareholders. We have to take the opportunity from the harmonization of accounting standards to address this question.

The improvement of corporate governance will also help us to answer these questions. We will follow carefully the recommendations expressed by the Daniel Bouton working group.

\* This year we also will focus on negotiable debt securities, which are a strength of the Paris financial center. The French commercial paper market is today as big and active as the euro commercial paper market. For this reason, we have dedicated Friday morning to this subject, in association with the French Association of Corporate Treasurers (AFTE) and the AFTB, the French Association of Bank Treasurers.

\* I am also particularly pleased, on behalf of everyone present today, to welcome Mr Francis Mer, Minister of Economy, Finance and Industry. This is Mr. Mer’s first meeting with

professionals of the French financial markets and I would like to thank him for having agreed to be here immediately after taking on his new position.

Only through better cooperation between public authorities and market professionals will it be possible to clear hurdles and to definitively enhance the competitiveness of the financial markets and the economy at large.

We wish to contribute actively to this partnership. Paris EUROPLACE strategic plan encompasses several axes aimed to improve the competitiveness of the markets. Among the actions to be taken, I would like to underscore one in particular: the launch of an international financial research and training institute, which aims to organize exchange between Universities and research centers on one hand, and the professionals on the other hand, to develop research on various economic and financial topics.

By the end of this year, Jean Laurent, President of *Credit Agricole*, which has accepted to steer this initiative will unveil his program.

Ladies and Gentlemen, I hope that these two days will provide a wealth of information and ideas.

I now pass the floor to Mr David Ignatius, Editor-in-Chief of the International Herald Tribune.