

**WELCOME ADDRESS BY CHIEF (DR.) J. O. SANUSI, CON,
GOVERNOR, CENTRAL BANK OF NIGERIA, AT THE OPENING
CEREMONY OF THE SECOND NATIONAL WORKSHOP ON THE
DEVELOPMENT OF THE NIGERIAN FINANCIAL MARKETS
ORGANISED BY THE FINANCIAL SERVICES REGULATION CO-
ORDINATING COMMITTEE AT ECOWAS SECRETARIAT,
ASOKORO, ABUJA. 5TH TO 7TH OCTOBER 2003**

Your Excellency, The Vice President of the
Federal Republic of Nigeria, Alhaji Atiku Abubakar, GCON,
Honourable Minister of Finance, Dr. (Mrs.) Ngozi Okonjo-Iweala,
Honourable Members of the National Assembly,
Honourable Members of the Federal Executive Council,
Chief Executives of Financial Institutions,
Workshop Participants,
Gentlemen of the Press,
Distinguished Ladies and Gentlemen,

It is with great pleasure that I welcome you all to the opening ceremony of the Second National Workshop on the Development of the Nigerian Financial Markets, organized by the Financial Services Regulation Co-ordinating Committee (FSRCC). Let me, from the outset, commend the FSRCC for initiating this workshop and the selection of a theme and sub-themes, which are not only apt but also relevant to current efforts to enthroning private sector-led economic growth strategy in the country. It is also noteworthy that capable resource persons have been assembled to discuss the subject.

2. We will recall that the Financial Services Regulation Co-ordinating Committee (FSRCC), formerly known as Financial Services Co-ordinating Committee (FSCC) was established in May 1994 as a forum for the co-ordination of the supervision of conglomerates, harmonization of regulatory and supervisory standards in the financial sector as well as information sharing among supervisory agencies. It was accorded a legal status by the 1998 Amendment to Section 38 of the CBN Act, 1991 and was formally re-inaugurated by the Governor of the CBN in May 1999. Specifically, the FSRCC has responsibilities to:

- i. coordinate the supervision of financial institutions
- ii. avoid arbitrage opportunities created by differing regulatory and supervisory standards among supervisory authorities in the country;
- iii. deliberate on problems experienced by any member in its relationship with any financial institution;
- iv. eliminate any information gap encountered by any regulatory agency in its relationship with any group of financial institutions;
- v. articulate strategies for the promotion of safe, sound and efficient practices by financial intermediaries; and
- vi. deliberate on such other issues as may be specified from time to time.

3. The Committee, working through its five sub-committees, has during the past few years witnessed tremendous achievements, which were brought about by increased understanding and cooperation among the member supervisory institutions. I am delighted to add that the Committee's Website Project will soon be hosted. Moreover, the Committee has reviewed the statutes establishing the member institutions in order to enhance its efficiency and eliminate areas of regulatory arbitrage. It is my hope that the National Assembly will accord the draft laws accelerated passage. It is important to note that the Committee has successfully entrenched the practice of information sharing among its member organizations, which has mitigated financial cross-carpeting of miscreants in the system. It is expected that through the strengthening of coordination and information sharing across financial areas such as banking, insurance, securities – financial problems would be identified before they become systemic. Moreover, it would contribute to enhanced efficiency of the financial markets, such that considerable benefits of free capital flows in the global financial system would be realized.

4. Your Excellency, Ladies and Gentlemen, having hosted a successful maiden edition of the workshop last year with the theme "Repositioning the Financial Market for Competitiveness in the 21st Century", the theme for this year's workshop which is "Deepening the Nigerian Financial Markets for Sustainable Development" will afford participants, the much needed opportunity to tackle the challenges of integrating the Nigerian capital market into the global system.

5. In attaining global standards, the financial markets need a degree of expansion that will shift the preponderance of short-term to long term funding for growth and development. Successive efforts have been geared towards streamlining policies aimed at achieving a more stable macroeconomic environment. In this regard, monetary policy has had to contend with the destabilising effect of fiscal dominance. The packaging of government debt instruments, such as government bonds currently in the market should help shift government's reliance on Central Bank for development financing to the capital market.

6. It would be recalled that in my welcome address last year, at the maiden edition of the workshop, I expressed the timeliness of the workshop at a period when apprehensions made the rounds as to the safety, health and soundness of our financial sector, particularly in the wake of some intervening measures taken by regulatory authorities. While the CBN continues to monitor developments, I assure you that appropriate measures will continue to be taken as necessary to ensure the sanity, safety and soundness of the system. As you are all aware, the Economic and Financial Crimes Commission with its mandate to investigate and prosecute all economic and financial crimes, has already taken off and is working in conjunction with the various financial sector regulators. It is hoped that the FSRCC, through its Information Sharing Committee will join hands with the Commission to reduce the menace of all forms of economic and financial crimes in the country.

7. Finally, this workshop has been packaged to achieve a number of stated objectives. In all, twelve papers will be presented in the five technical sessions during the two-day workshop. Opportunities for discussion will be provided after each paper and will be followed by a syndicate session. Finally, a communiqué will be issued at the end of the workshop. Undoubtedly, the participants will acquire new ideas and skills that will be put to use for the overall benefit of member organizations, in particular, and the financial system in general.

8. I hope that all the participants will take advantage of this rare opportunity by sharing information and experiences such that at the end of this workshop, participants would have been greatly enriched with necessary skills for the development of the financial markets and the economy at large.

9. Once again, I welcome all of you to the second edition of the National Workshop of the FSRCC and hope that at the end of the workshop the participants will come up with recommendations that will assist policy makers in the effort to develop financial markets in Nigeria to meet global standards and challenges.

10. I wish you happy deliberations and thank you for your attention.

Office of the Governor
Central Bank of Nigeria
Abuja.

6th October, 2003