

## Press release

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### **Joint Forum issues paper on regulatory and market differences**

The Joint Forum released a paper today entitled *Regulatory and market differences: issues and observations*. It presents the findings of a review that was prompted by discussions at an industry roundtable in 2003 on differences in the regulatory approaches to risk across banking, securities and insurance sectors.

The Joint Forum determined that cross-sectoral convergence in both market practice and regulatory approaches is occurring naturally and can be expected to continue as a result of a number of trends and developments highlighted in the paper. At the same time, however, the Joint Forum recognises that cross-sectoral convergence in regulatory approaches is not desirable in every instance. There may be good reasons for sectoral differences in regulatory approaches to the same risk.

Dirk Witteveen, the Chairman of the Joint Forum and an Executive Director of the Netherlands Bank, said today, "It is clear from this exercise that the discussion has evolved into one that starts with the commonalities in regulatory approach across sectors, as opposed to differences. The initiative also underscores the value of an organisation like the Joint Forum, which provides an opportunity for supervisors to exchange views on risk management practices and supervisory approaches and in that fashion helps to minimise differences in approach. The paper makes a valuable contribution to the topic and will prompt useful discussions within and between industry and the supervisory community."

The paper is available on the websites of the Bank for International Settlements (<http://www.bis.org>), the International Organization of Securities Commissions (IOSCO) (<http://www.iosco.org>) and the International Association of Insurance Supervisors (IAIS) (<http://www.iaisweb.org>).

The Joint Forum was established in 1996 under the aegis of the Basel Committee on Banking Supervision, IOSCO, and the IAIS to deal with issues common to the banking, securities and insurance sectors, including the supervision of financial conglomerates.