

OPENING STATEMENT

BY

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**AT THE COMPLETION AND QUALIFYING TRAINING COURSE FOR
CAPITAL MARKET OPERATORS, REGULATORS AND COMPLIANCE
OFFICERS**

ON

MONDAY 3RD APRIL, 2006

Members of the Stock Exchange Technical Committee,

Distinguished Guests,

Course Participants,

Facilitator from FIRST Initiative and

Resource Persons.

It is with great delight and satisfaction that I welcome you all here today to mark the occasion of the commencement of an 11 days training workshop for capital market operators, regulators and compliance officers. This training should be taken very seriously as it is regarded as the completion and qualifying courses for a Stock Trading Facility in Sierra Leone.

Sierra Leone still requires a more effective mechanism for the mobilisation of financial resources, especially the long term and risk capital, needed to finance businesses and development projects.

The current drive by the Bank of Sierra Leone and the Stock Exchange Technical Committee currently spearhead this programme to develop the capital market in Sierra Leone, with the technical assistance of First Initiative and the Commonwealth Secretariat.

The overarching objective of this programme is to strengthen the financial sector in Sierra Leone by developing a sustainable market for long term and risk capital. Major sub-objectives include the establishment of a stock exchange and a venture capital company; the establishment of mutually

beneficial linkages with the Government's divestiture programme implemented by the National Commission for Privatisation; the establishment of an appropriate legal and regulatory framework for the capital market; conducting an awareness promotion campaign; and providing appropriate training for capital market intermediaries and regulators as well as other stakeholders and groups of investors in the market.

Let me at this juncture highlight some significant milestones. The results achieved so far in the implementation of the aforementioned programme include the following:

- Preparations are at an advanced stage for the commencement of operations of an interim stock trading facility, the precursor to the proposed stock exchange.
- A venture capital company has been incorporated and its draft Business Plan, prepared by KPMG, is currently undergoing stakeholder review, revision and finalisation.
- An additional brokerage/dealership, namely, Capital Discount House, was incorporated in March 2004.
- Attempts have been made to create mutually beneficial linkages with the National Commission for Privatisation's divestiture programme and the National Social Security and Insurance Trust's investment programme, with very encouraging results.

- A Securities Bill has been drafted by the Commonwealth Secretariat, and a Revised Companies Act and a Bankruptcy Bill have been drafted by the Project Team of legal experts here in Sierra Leone. In addition, interim stock trading regulations have been drafted in-house by staff of the Development Coordination Department at the Bank of Sierra Leone with the assistance of our Resident Consultant on Capital Market Development. All are currently undergoing stakeholder consultation, revision and finalisation.
- An embryonic Regulatory Unit has been established in the Banking Supervision Department at the Bank of Sierra Leone that will regulate the capital market until the Securities and Exchange Commission is established by the Government after the enactment of the relevant pieces of legislation.
- Preparations are well advanced for the commencement of the capital market promotion campaign.
- A five days WAIFEM course on Capital Market was held in Freetown in November 2001. This was followed by a nine days WAIFEM course on Capital Market Development and Operations, which was held in Freetown in May 2004. Some staff at First Discount House, Capital Discount House and the Bank of Sierra Leone have undergone further training including attachments at regional capital market institutions.

Distinguished Guests, Ladies and Gentlemen. It is against the backdrop of these developments, and the imminent commencement of operations of the interim stock trading facility that the Bank of Sierra Leone and First Initiative are holding this training workshop for capital market operators, regulators and compliance officers. Examinations will be held at the end of the course, which those wishing to be licensed as Authorised Dealing Officers, Compliance Officers and Investment Advisers are required to take. I wish you all fruitful deliberations, knowledge, enhancing and enlightening experience. But, most of all, I wish all those taking examinations at the end of the course the best of luck in that endeavour.

Thank you very much for your attention.