

Chairman's Statement at the AGM of the APG on Wholesale Financial Markets and Services - 10 November 2004

The APG on Wholesale Financial Markets and Services, which was launched in 2003, provides a welcome and unique mechanism for Parliamentarians to examine issues of mutual interest, whether from domestic, European or global origins, with the UK's wholesale financial sector through a process of regular briefings and ongoing dialogue with market participants.

Since last year's Annual General Meeting we have held seven parliamentary briefings, in addition to events at each of the party conferences, covering a wide range of important topics, from regulation and savings to the WTO and accounting standards. As Chairman of the Group, I would like to join my fellow officers in thanking our industry members for the expert contributions a broad cross-section of senior practitioners have made to our discussions. During the past year we were also very pleased to welcome, as Guest Speakers, HE Mr Zha Peixin, Chinese Ambassador to the UK, who was joined by his wife Madame Zhang Xiaokang, who is Minister Counsellor at the Embassy, Lord Powell of Bayswater KCMG, President of the China Britain Business Council and Sir Derek Higgs. In February we marked the first anniversary of the Group with a dinner at One Whitehall Place with the Governor of the Bank of England, Mervyn King, as our Guest of Honour.

Financial services is one of the business sectors in which the UK can truly claim to be a world leader and I think it is a mark of the importance that is attached to its continued success that our cross-party membership, which is drawn from both Houses of Parliament, has continued to grow steadily since the launch of the Group in March 2003. At the current time the membership stands at 49.

In my Chairman's Statement last year I said that the Group promised to continue in its aim to provide "informative briefings in the coming months" which we believe we have achieved. We have covered priority issues from both an Industry and a Parliamentary perspective, such as the way in which markets are having to adapt to the continuing pace of technological development; the implementation of new legislation – particularly in Europe - and the impact that the newly developed markets in India and China, to name

just two, will have on the UK's financial services industry will provide many issues to address at future meetings.

I would like to take this opportunity to thank all those who have, by their contribution, assisted in the establishment of the APG as a valuable forum for discussion and a bridge between Westminster and the City. In particular I would like to thank Tim [Loughton] our Vice Chairman; David [Ruffley], the Group's Secretary and Norman [Lamb] our Treasurer and their colleagues from both Houses for their continued and active support. I would also like to acknowledge the support that the Group has continued to receive from the Industry Advisory Group Members and also from organizations such as the Bank of England, the Centre for the Study of Financial Innovation, the Financial Services Authority and many others, including work of the Group's Secretariat, which is provided by the FOA.

I have already referred to some of the issues that are likely to feature in next year's programme – however long the session might be! Two events remain to be held in 2004 - today's meeting, which welcomes Sir George of St Tudy, Master of the Guild of International Bankers and former Governor of the Bank of England as our Guest Speaker, who will be sharing with us the Guild's views on the role the financial services industry can play in ensuring good practice and high ethical standards are key benchmarks for business. Our last meeting of the year, on 15 December, will revisit the Basel Accord – exactly a year after it was first discussed by the Group.

In conclusion I would like to invite you to note in your diaries that the dinner to mark the second Anniversary of the Group will take place on Tuesday 1 March 2005 when we hope to have the pleasure of your company.

Nigel Beard MP

Chairman

Associate Parliamentary Group on Wholesale Financial Markets and Services

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