



Mr. Chairman, Honorable Guests and Colleagues,

It is my great pleasure to join our host – the Turkish CMB and its Chairman Turan Erol, in welcoming you at the IOSCO Seminar on Enforcement Aspects of Takeover Regulation on behalf of the KNF – Polish Financial Supervision Authority, which is co-organizing this event.

I'm very pleased to see so many participants coming to Istanbul to take part in the discussion on the issue which is one of the major challenges for global capital markets.

I would like to express my appreciation for both our colleagues from Turkey and all the speakers and panelists, who will share with us their knowledge and experience.

In our view, the Seminar is an exceptional forum to learn more about unique solutions in the field of M&A worked out in various jurisdictions, as well as to exchange views on their effectiveness and suitability. It is also a great opportunity to review standards of takeover regulations and identify the areas to which particular attention should be drawn.

Ensuring that all states provide a similar level of protection against violation of securities regulations and are able to enforce compliance, should be one of top priorities for the international community of securities supervisors.

Mergers and acquisitions belong to a daily practice at any competitive market. They serve as a broadly-exploited way of investment activity and crucial factor of market discipline. From the Polish market perspective, some mechanisms and events that may be connected to takeovers are beginning to be practically employed. The Polish capital market has seen numerous mergers and acquisitions, yet the first successful *hostile* takeover through the Warsaw Stock Exchange occurred just in May this year. It is important to mention that Poland has timely implemented the EU Takeover Directive. The first hostile takeover turned out to be successful since the bid price was regarded as adequate and reached acceptance of institutional investors. The obligatory provisions of the Directive are clear – the price for acquired shares has to be fair. Also the rules requiring a bidder who has gained control over a listed company to make a bid at a reasonable price for shares held by remaining shareholders definitely promote fairness on the market. Since one of our goals is to protect investors i.e. shareholders, we perceive it as vital to have these regulations in place.

Assuring the highest possible level of minority shareholders protection needs, however, to be accompanied by entirely transparent rules for potential bidders. It is not always easy to judge whether a given takeover case contributes to market discipline and whether its outcome satisfies all various interests of market participants. Certainly, there is always room for regulatory improvement. Polish regulators have strengthened efforts to respond adequately to market expectations, for example by introducing much clearer distinction between information obligations connected to a bid and those related to exceeding ownership thresholds.

From the KNF viewpoint, it would be impossible to overestimate the importance of educational aspect of IOSCO activities. IOSCO plays a significant role in strengthening securities supervisors around the world not only by letting them cooperate and share enforcement-related information with their counterparts through Multilateral MoU, but also by enhancing their practical knowledge through offering an overview of regulations existing elsewhere. The survey on takeover regulation conducted among the Emerging Markets Committee Members and the report compiled by the KNF, which chairs the Working Group 4, are perfect examples of this added value.

I should also mention that the objective of our Seminar, as an episode of its educational mission, is to reinforce informal relations between representatives of national securities supervisors. Improved

mutual communication between Seminar participants will sooner or later bring noticeable benefits to our daily supervisory work.

To conclude, I would also like to thank the IOSCO Secretariat for supporting this Seminar. Once again, expression of my sincere appreciation goes to the CMB for their impressive effort in order to make it possible for us to meet here in Istanbul and to enjoy a unique atmosphere of this beautiful city at the verge of two continents. I wish us all a very interesting and fruitful debate.