The Advisory Group on APEC Financial System Capacity-Building
A Public-Private Sector Initiative

Third Meeting 2013
10 July 2013
Gyoun Room, Kyoto Hotel Okura
Kyoto, Japan

Meeting Paper 9-A Annex
2013 Report on Capacity-Building Measures to Strengthen and Develop Financial Systems

Office of the Advisory Group Chair

2013 Advisory Group Report

- Sydney Symposium on APFF (April)
- Batam Financial Inclusion Forum (June)
- Kyoto Workshop on Legal Architecture (July)
- Work with APEC FMP APIP Dialogues (Jan-May)
- Further comments, suggestions, recommendations

2013 REPORT
THEMES

- I. CREATING A PLATFORM FOR PUBLIC-PRIVATE COLLABORATION TO DEVELOP THE REGION’S FINANCIAL MARKETS
- II. ESTABLISHING A REGIONAL FRAMEWORK TO PROMOTE PRIVATE FINANCING OF INFRASTRUCTURE
- III. HARNESING INNOVATION TO EXPAND FINANCIAL ACCESS OF LOW-INCOME HOUSEHOLDS AND SMALL ENTERPRISES
- IV. UNDERTAKING LEGAL ARCHITECTURE REFORMS TO PROMOTE FINANCE
- V. ENHANCING THE POTENTIAL OF CREDIT RATING AGENCIES TO FACILITATE CROSS-BORDER INVESTMENT IN LOCAL CURRENCY BOND MARKETS
- VI. CREATING A SUSTAINABLE VENTURE CAPITAL ECOSYSTEM IN THE APEC REGION

Recommendations I

CREATING A PLATFORM FOR PUBLIC-PRIVATE COLLABORATION TO DEVELOP FINANCIAL MARKETS

- Launch APFF with priorities based on Sydney Symposium Report
- Note progress of Asia Region Funds Passport, encourage more private sector involvement.
Recommendations II

ESTABLISHING A REGIONAL FRAMEWORK TO PROMOTE PRIVATE FINANCING OF INFRASTRUCTURE

- Establish a regional framework under a multi-year initiative to coordinate capacity building and sharing of best practices in infrastructure finance with collaboration of APIP

Recommendations III

HARNESSING INNOVATION TO EXPAND FINANCIAL ACCESS OF LOW-INCOME HOUSEHOLDS/SMMEs

- Commit to policy reforms:
  - Mobile and branchless banking
  - Remittances
  - Market infrastructure: payment, credit reporting systems, secured lending frameworks
  - Innovative approaches
  - Financial education and consumer protection
Recommendations IV

UNDERTAKING LEGAL ARCHITECTURE REFORMS TO PROMOTE FINANCE

- Elements of APEC Model Code for Secured Financing
- Asia-Pacific Informal Workout Guidelines and Model Agreement to Promote Company Restructuring by Informal Workout

Recommendations V

ENHANCING THE POTENTIAL OF CRAs TO FACILITATE CROSS-BORDER LCY BOND INVESTMENT

- Regional guidebook on common basic rating methodologies and basic rating criteria
- Convergence of accreditation criteria for CRAs
- Convergence of financial reporting standards and regulations
Recommendations VI

CATALYZING INVESTMENT IN INNOVATIVE ENTERPRISES

- Interested economies and multilateral institutions to collaborate with ABAC in developing APEC fund of funds for seeding and growing a private sector-led venture capital ecosystem