Asia-Pacific Financial Forum (APFF) 2017 Work Program

Office of the Advisory Group Chair

2013: Asia-Pacific Financial Forum (APFF)

• APFF is a regional platform for collaboration among public sector, private sector and multilateral institutions to help accelerate the development and integration of financial markets and services in the APEC region.

• It is an official policy initiative under the APEC Finance Ministers’ Process (since 2013). It has been tasked to support the implementation of the Ministers’ Cebu Action Plan (a 10-year roadmap for the development and integration of financial markets in the region).

• The management of APFF has been entrusted by the Finance Ministers to the private sector through the APEC Business Advisory Council (ABAC), which reports its progress to APEC senior finance officials and ministers regularly throughout the year.
The APEC Finance Ministers’ Process

Finance Ministers’ Process (FMP)
21 APEC Finance Ministries
Advisory Functions: ADB, IMF, OECD, WBG, ABAC

Finance Ministers
Heads of Delegation of International Organizations and ABAC

Deputy Finance Ministers/Deputy CB Governors
Representatives of International Organizations and ABAC

Senior Finance Officials
Representatives of International Organizations and ABAC

Management entrusted to ABAC
Coordinated through the Advisory Group on APEC Financial System Capacity Building

FMP Policy Initiatives

APEC Finance and Development Institute
Financial Regulations Training Initiative
APEC Financial Institutions Dealing with SMEs
Asia-Pacific Forum on Financial Inclusion
Asia-Pacific Financial Forum (APFF)
Asia-Pacific Infrastructure Partnership (APP)
APEC PPP Experts Advisory Panel
Asia Region Funds Passport (ARFP)

The Cebu Action Plan
A Ten-Year Roadmap for the APEC Finance Ministers’ Process
FOUR PILLARS

FINANCIAL INTEGRATION
• Financing MSMEs
• Financial inclusion / literacy
• Facilitating insurances
• Financial services liberalization
• Capital accounts liberalization
• Asia Region Funds Passport

FISCAL TRANSPARENCY
• Fiscal reforms
• Open Data Initiative
• Exchange of financial account information
• Base erosion profit shifting
• Tax and crime

FINANCIAL RESILIENCE
• Macroeconomic policy
• Disaster risk financing and insurance
• Capital market development

INFRASTRUCTURE
• Knowledge portal
• Standardization of terms and practices
• Maximizing PPPs in infrastructure investment
• Long-term investors
• Urban development
• Regional connectivity
Supporting the Cebu Action Plan
A Ten-Year Roadmap for the APEC Finance Ministers’ Process

FOUR PILLARS

**FINANCIAL INTEGRATION**
- Financing MSMEs
- Financial inclusion / literacy
- Facilitating remittances
- Financial services liberalization
- Capital accounts liberalization
- Asia Region Funds Passport

**FISCAL TRANSPARENCY**
- Fiscal reforms
- Open Data Initiative
- Exchange of financial account information
- Base erosion profit shifting
- Tax and crime

**FINANCIAL RESILIENCE**
- Macroeconomic policy
- Disaster risk financing and insurance
- Capital market development

**INFRASTRUCTURE**
- Knowledge portal
- Standardization of terms and practices
- Maximizing PPPs in infrastructure investment
- Long-term investors
- Urban development
- Regional connectivity

APFF Work Streams

1. Financial Infrastructure Development Network (FIDN) – MSME and Trade/Supply Chain Finance
2. Financial Market Infrastructure
3. Capital Markets
4. Insurance and Retirement Income
5. Linkages and Structural Issues
   + Financial Technology (Fintech) – cross-cutting
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<th><strong>APFF</strong></th>
<th><strong>Financial Infrastructure Development Network (FIDN) 1</strong></th>
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<tr>
<td><strong>Deliverables</strong></td>
<td><strong>Major Activities</strong></td>
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<tr>
<td>• Development of credit information systems</td>
<td>Feb 20, Bangkok: APFF Seminar on Creating an Effective MSME Financing Ecosystem</td>
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<tr>
<td>• Capacity building to help design / improve credit information systems in interested economies</td>
<td>• Host: Thai Bankers’ Association / ABAC Thailand</td>
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<tr>
<td>• Development of consumer and commercial credit information data dictionary for the region</td>
<td>April 20-21, Beijing: FIDN Symposium on Personal Data Protection and Credit Reporting</td>
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<td>• Progressing the Mekong region cross-border credit information sharing pilot project</td>
<td>• Host: People’s Bank of China</td>
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<td>• Initiating an Oceania cross-border credit information sharing pilot project</td>
<td>May 17, Ninh Binh: International Seminar on Cross-Border Credit Information Exchange</td>
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<td>• Host: State Bank of Vietnam</td>
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<td>Jul 13, Hoi An: Meeting on Credit Reporting Collaboration among the Mekong Economies</td>
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<td>• Host: State Bank of Vietnam</td>
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<th><strong>APFF</strong></th>
<th><strong>Financial Infrastructure Development Network (FIDN) 2</strong></th>
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<tr>
<td><strong>Deliverables</strong></td>
<td><strong>Major Activities</strong></td>
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<tr>
<td>• Secured transactions</td>
<td>Feb 20, Bangkok: APFF Seminar on Creating an Effective MSME Financing Ecosystem</td>
</tr>
<tr>
<td>• Capacity building to help design / improve secured transactions and insolvency systems for interested member economies</td>
<td>• Host: Thai Bankers’ Association / ABAC Thailand</td>
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<tr>
<td>• Trade and Supply Chain Finance</td>
<td>April 7, Singapore: APFF Trade and Supply Chain Finance Workshop</td>
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<tr>
<td>• Capacity building to help design / improve secured transactions and insolvency systems for interested member economies</td>
<td>• Host: Singapore Business Federation / ABAC Singapore</td>
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<td>Jul 12, Hoi An: FIDN Conference</td>
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<td></td>
<td>• Host: State Bank of Vietnam</td>
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<td></td>
<td>September, Ho Chi Minh: APEC SME Finance Forum on Financing Start-Ups</td>
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<td></td>
<td>• Host: Thai Bankers’ Association</td>
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<td></td>
<td>3Q or 4Q, Bangkok: APFF Trade and Supply Chain Finance Workshop</td>
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<tr>
<td></td>
<td>• Host: Thai Bankers’ Association</td>
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APFF
Financial Market Infrastructure

**Deliverables**
- Roadmap to enhance financial market infrastructure in APEC
- FMI Fintech: Best practices for improving cybersecurity, KYC and e-payments in developing economies

**Major Activities**
- **March 8, Bangkok:** APFF Public-Private Sector Financial Technology Dialogue (FMI Fintech/Trade and Supply Chain Finance)
  - Host: ASEAN Bankers’ Association/Thai Bankers’ Association
- **April 25-26, Seoul:** APFF Financial Market Infrastructure Conference
  - Host: Federation of Korean Industries

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APFF
Financial Technology (Fintech)

**Deliverable**
- Establishment of a platform for regulatory-industry dialogue on enabling environment for Fintech

**Major Activities**
- **June, Hanoi:** ABAC-ADB-APFF Workshop on Fintech
APFF
Capital Markets

**Deliverables**

- Development of repo and derivatives markets
  - Capacity-building seminars for interest economies.
- Information for capital market investors
  - Assisting economies in using the APFF self-assessment templates for information on capital markets
- Supporting the Asia Region Funds Passport
  - Promoting expansion of ARFP membership
  - Promoting reforms to expand the investor base

**Major Activities**

- *Feb 22, Bangkok: APFF Workshop on Key Issues in Developing Thailand’s Repo and OTC Derivatives Markets*
  - *Host: Thai Bankers’ Association / ABAC Thailand*
- *March 16-17, Beijing: APFF-ABAC-ASIFMA Workshop on Corporate Bonds, Repo and Derivatives Markets Development in China*
  - *Host: ASIFMA*
- *Date TBD, Bangkok: APFF Workshop on Information for Capital Market Investors in Thailand*
  - *Host: Thai Bankers’ Association / ABAC Thailand*

Follow-up APFF Workshops on the development of repo and derivatives markets in interested member economies

APFF Workshops on ARFP for asset management firms and regulators in interested member economies

APFF
Microinsurance and Disaster Risk Financing

**Deliverables**

- Microinsurance
  - Development of a roadmap for expanding microinsurance coverage in APEC
- DRFI
  - Identification of economies and perils of priority
  - Completion of stock-taking on availability of risk exposure data
  - Initiation of drafting process for the APEC roadmap on the development of DRFI

**Major Activities**

- *March 16, Hanoi: APFF Workshop on the APEC Microinsurance Roadmap*
  - *Host: GIZ / MEFIN Network / Microinsurance Network*
- *Date TBD, Venue TBD: APFF DRFI Workshop*
  - *Host: TBD*

Follow up activities to develop the APEC Microinsurance Roadmap
### APFF Retirement Income & Long-Term Investment 1

#### Deliverables
- **Infrastructure investment – Best practices**
  - Promoting infrastructure investment as a defined asset class
  - Financing vehicles to promote pension and insurance investment in infrastructure
- **Retirement and protection – Best practices**
  - Mandatory provisions for retirement savings
  - Design/implementation of tax incentives for long-term savings products
  - Product innovation and financial awareness

#### Major Activities
- **March 14, Jakarta:** APFF/APIP Dialogue with Indonesian Government on PPPs in Waste Management
  - Host: Japan Ministry of Environment / Indonesia Ministry of Environment
- **May 19, Jakarta:** APFF-AIC Roundtable on Retirement and Long-Term Investment
  - Host: ASEAN Insurance Council
- **July (2nd wk), Hong Kong:** APFF Forum on Retirement Income and Pension Funds’ Long-Term Investment
  - Host: TBD
- **July (4th wk), Toronto (TBD):** APFF Roundtable on Promoting Long-Term Investment
  - Host: TBD

Participation in various international conferences and meetings to communicate APFF’s key messages on retirement income and long-term investment

### APFF Retirement Income & Long-Term Investment 2

#### Deliverables
- **Establishment of a platform to address barriers to cross-border investment in Asia-Pacific infrastructure by Islamic financial institutions**
  - Establishment of Islamic Infrastructure Investment Platform (I3P)
- **Promoting regulatory and accounting frameworks supportive of long-term investment**
  - Promoting Asia-Pacific inputs to IFRS 17 accounting standards for insurance contracts
  - Promoting Asia-Pacific inputs to Insurance Capital Standard (ICS)
  - Advice to Asia-Pacific regulators on implementation of new solvency regimes

#### Major Activities
- **Feb 22, Bangkok:** I3P Breakfast Meeting
  - Host: ABAC Thailand
- **Date TBD, Venue TBD:** APFF Islamic Infrastructure Investment Conference and Launch of I3P
  - Host: TBD
- **June (3rd wk), Hong Kong:** APFF Forum on impact of new IFRS 17 and ICS on long-term investment and mitigation of unintended consequences
  - Host: TBD

Participation in various international conferences and meetings to communicate APFF’s key messages on regulation and accounting frameworks
APFF
Retirement Income & Long-Term Investment 3

**Deliverables**

- Infrastructure investment – Best practices
  - Promoting infrastructure investment as a defined asset class
  - Financing vehicles to promote pension and insurance investment in infrastructure
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  - Host: TBD

Participation in various international conferences and meetings to communicate APFF’s key messages in retirement income and long-term investment