The Advisory Group on APEC Financial System Capacity Building

A Public-Private Sector Initiative

2017 Report on Capacity Building Measures to Strengthen and Develop Financial Systems
Promoting structural reforms in APEC’s financial systems

• Established 2003

• Platform for regional collaboration among key institutions: ABAC, industry associations, multilateral organizations (ADB, IDB, IMF, OECD, WBG), specialized institutions (FDC, IVSC, AFI, CGAP, GIH, SIF, SEACEN, ABMF, etc.), public sector institutions, ministries and regulatory authorities, individual firms

• Vehicle for ABAC oversight/management of 3 Finance Ministers’ policy initiatives:
  • Asia-Pacific Forum on Financial Inclusion (est. 2010)
  • Asia-Pacific Infrastructure Partnership (APIP) (est. 2011)
  • Asia-Pacific Financial Forum (APFF) (est. 2013)
2017 Report

• Financial market development
  • Summary of APFF Progress Report
• Creating a robust pipeline of bankable infrastructure projects
• Expanding access to finance
• Improving valuation practices
Financial market development: Recommendations

• Encourage officials/regulators to collaborate with APFF capacity building in:
  • Liquid bond, repo, derivatives markets
  • Credit information, secured transactions, insolvency systems
  • Cross-border supply chain financing
  • Expand pension funds/insurance firms’ role in infrastructure development

• Support regional platform for public-private dialogue on fintech
• Encourage officials/regulators to work with APFF to finalize in 2018 roadmaps for financial market infrastructure (FMI), microinsurance and disaster risk financing and insurance (DRFI)
• Encourage more participation in ARFP discussions
• Encourage authorities to collaborate with APFF in finalizing Islamic Infrastructure Investment Platform (I3P) work program
Creating a pipeline of bankable infrastructure projects: Recommendations

• Support dialogues and capacity-building activities in interested economies to leverage expertise in ADB, OECD, WBG, GIH, SIF, APIP and APFF to launch successful initial projects
  • 2017-2018: Focus on waste management PPPs in Indonesia, Philippines, Viet Nam and other interested economies
  • Collaboration with funders of capacity building activities (dialogues, seminars etc.) for line agency and local government officials in these economies
Expanding access to finance: Recommendation

- Regulators and policy makers to study, adopt, implement (as applicable) the conclusions and recommendations of the 2017 Asia-Pacific Forum on Financial Inclusion in the following areas:
  - Definition of financial inclusion
  - Agrifinance
  - Distributed ledger technology
  - Financial education
  - Enabling environment for microfinance products/services
  - Microinsurance
  - Online supply chain finance
  - Digital identity
Improving valuation practices in APEC: 
Recommendation

• Continue to host discussions with IVSC, valuation professional organizations, industry experts on improving the quality of valuation practices and professionals