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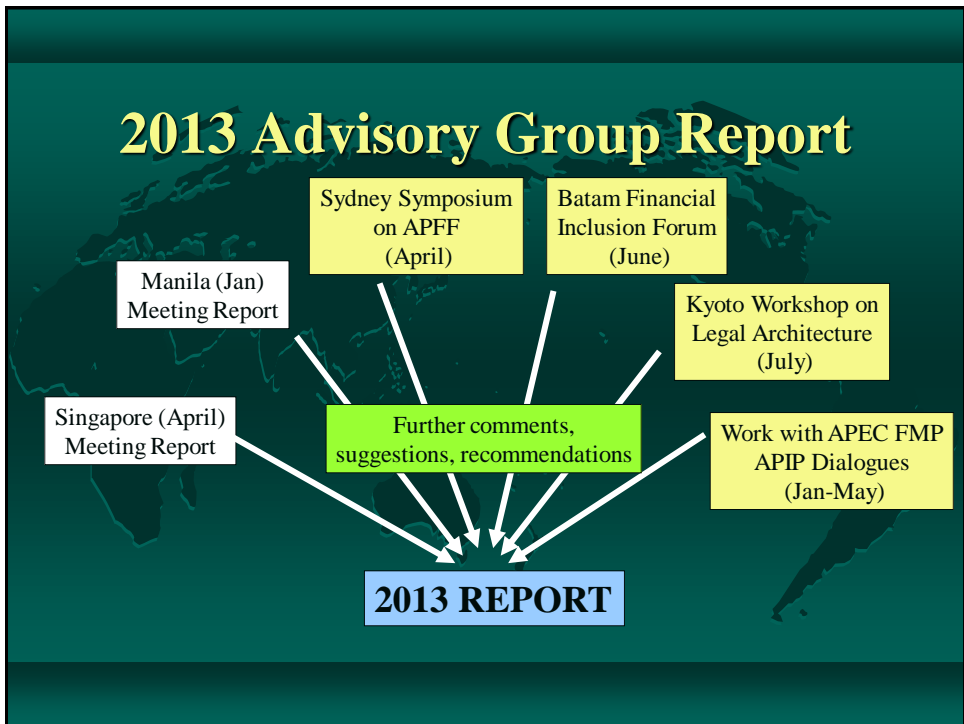
 Asia-Pacific Economic Cooperation

**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



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. HARNESSING 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*

