

UPCOMING APFF WORK STREAM ACTIVITIES

1. 20 February, Bangkok: APFF Seminar Creating an Effective MSME Financing Ecosystem (Hosted by ABAC Thailand) – *Agenda attached*
2. 22 February, Bangkok: APFF Breakfast Meeting on Promoting the Islamic Infrastructure Investment Platform (I3P) (Hosted by ABAC Thailand) – *Agenda attached*
3. 22 February, Bangkok: APFF Workshop on Key Issues in Developing Thailand's Repo and OTC Derivatives Markets (Hosted by Thai Bankers' Association/ABAC Thailand) – *Agenda attached*
4. 8 March, Bangkok: APFF Public-Private Sector Financial Technology Dialogue: Facilitating Innovation in Financial Market Infrastructure Fintech and Trade and Supply Chain Finance (Hosted by Thai Bankers' Association/ABAC Thailand) – *Agenda attached*
5. 14 March, Jakarta: Promoting PPPs in Waste Management Projects - Joint APFF/APIP Dialogue with the Government of Indonesia (Hosted by Government of Indonesia and Government of Japan) – *Agenda attached*
6. 16 March, Hanoi: Workshop on a Microinsurance Development Roadmap for Asia-Pacific Emerging Markets (Hosted by Government of Vietnam / GIZ / MEFIN / Microinsurance Network) – *Agenda attached*
7. 16-17 March, Beijing: APFF/ASIFMA Conference on Corporate Bonds, Repo and OTC Derivatives Development in China (Hosted by ASIFMA) – *Agenda attached*
8. 7 April, Singapore: APFF Trade and Supply Chain Finance Workshop (Hosted by ABAC Singapore) – *Agenda under development*
9. 20-21 April, Beijing: FIDN Symposium on Personal Data Protection and Credit Information (Hosted by IFC/WBG and People's Bank of China) – *Agenda under development*

Asia-Pacific Financial Forum Seminar CREATING AN EFFECTIVE MSME FINANCING ECOSYSTEM

20 February 2017, 13:30 – 17:00
Napalai Room, Dusit Thani Bangkok Hotel
Bangkok, Thailand

Draft as of 2017-02-14

Micro-, small and medium enterprises (MSMEs) are the foundation of a competitive and equitable economy. They are the most important job creators. In the US, for example, small firms accounted for 64 percent (11.8 million) of net new jobs created between 1993 and 2011. Within this group, young and high-growth businesses have had a huge impact on the economy, accounting for roughly half of new jobs created, expanding and creating opportunities in new locations and stimulating further employment growth in related industries. The growth of MSMEs, particularly for emerging markets, is thus key to accelerating, democratizing and decentralizing economic development, especially where business has traditionally been concentrated in few urban centers.

For most micro, small and medium enterprises (MSMEs), lack of efficient and sustainable access to finance is most often ranked as the key issue preventing them from effectively participating in economic activities and global value chains and benefiting from the growth of trade and investment. In many developing economies, MSMEs typically do not have real estate that is commonly accepted by lenders as collateral against loans. Movable assets are not widely used in many emerging markets, and many existing and potential business owners at the micro- and small end of the spectrum do not even have such assets, including large numbers of individuals who have no accounts with formal financial institutions.

One of the key factors behind this problem is the inadequate legal and institutional infrastructure in many developing economies to support risk-based lending using transactions and payments data and lending against a broader range of collateral. Underdeveloped capital markets are unable to support financial institutions' small business lending activities, much less provide funding for small borrowers. Governments can help address these issues through practical steps involving close collaboration between the public and private sectors that can yield tangible results, in terms of concrete legal, policy and regulatory reforms, capacity building and awareness raising.

Opportunities for MSMEs have also greatly increased as innovations opened up new ways to access finance, as well as information and markets, that can enable them to benefit from the growth of trade and global supply chains in the digital age. Economies that can provide enabling environments for innovative financing mechanisms and help MSMEs connect to global supply chains stand to reap the rewards of sustained, inclusive, balanced and innovative growth.

This seminar leverages the rich knowledge and real-world experience of private firms, public agencies and international organizations currently collaborating within the Asia-Pacific Financial Forum (APFF) and its Financial Infrastructure Development Network (FIDN). The FIDN assists member economies in designing the legal and institutional frameworks that govern MSMEs' access to finance. An important aspect of this regional platform is the coordination of reforms to create interconnected financial ecosystems that

will support the financing and expansion of MSMEs' cross-border trade and investment activities. With several economies now making concrete progress in modernizing their financial infrastructure, it aims to provide an opportunity to share experiences and strategies and discuss the way forward to accelerate the process of expanding MSMEs' access to finance.

AGENDA

13:00-13:30	Registration
13:30-13:40	OPENING SESSION
5 mins	Welcome remarks Mr. Chartsiri Sophonpanich, CEO, Bangkok Bank; CEO Sponsor – Financial Inclusion Work Plan, Thai Bankers Association
5 mins	Opening remarks Mr. Hiroyuki Suzuki, Chair, Asia-Pacific Financial Forum; Vice Chairman, Nomura Research Institute Ltd; and Member, ABAC Japan
13:40-14:45	SESSION I: TRADITIONAL LENDERS AND CAPITAL MARKETS AS A SOURCE OF FINANCING FOR MSMEs
	Moderator: Mr. Christopher J. Wohlert, Business Leader, Commercial Distribution Finance, Asia, Wells Fargo Bank, N.A.
5 mins	Introductory remarks by Session Moderator
15 mins	Overview: Challenges for Traditional Lenders in Providing Credit for MSMEs Dr. Julius Caesar Parrenas, APFF Coordinator and Senior Advisor, Nomura Research Institute Ltd.
25 mins	Panel discussion (5 minute initial responses each to moderator questions and additional responses to follow up questions) <ul style="list-style-type: none"> ■ Mr. Amarit Franssen, Co-Founder, Appman Co.,Ltd. (<i>Focus: How a business is funded within the current financial environment</i>) ■ Mr. Wu Jia-Hong, President and Chief Executive Officer, Mega International Commercial Bank PCL (<i>Focus: Improvements in policies and regulations needed to address disincentives for bank lending to SMEs</i>)
15 mins	Open forum
5 mins	Concluding remarks by Session Moderator
14:45-15:45	SESSION II: INNOVATIVE FINANCING MECHANISMS: DEVELOPMENT AND POTENTIAL FOR FUNDING MSMEs
	Moderator: Mr. Ankush Tewari, Senior Director, Market Planning, LexisNexis Risk Solutions
5 mins	Introductory remarks by Session Moderator
15 mins	Overview: The Landscape and Trajectory of Innovative Finance Ms. Catherine Simmons, Managing Director and Head of Government Affairs, Citi
20 mins	Panel discussion (5 minute initial responses each to moderator questions and additional responses to follow up questions) <ul style="list-style-type: none"> ■ Mr. David Katz, Deputy Head of Global Government Relations and Head of

Asia Pacific Government Relations (*Focus: Use of digital payments to facilitate SMEs' cross-border trade activities*)

- Mr. Chaisiri Kangwalyosuk, CTO and Co-Founder, Sinwattana, (*Focus: Potential for crowdfunding in Asian emerging markets*)

15 mins **Open forum**

5 mins Concluding remarks by Session Moderator

15:45-16:00 Tea break

16:00-16:50 SESSION III: REFORMING THE ASIA-PACIFIC ECOSYSTEM FOR FINANCING MSMEs

Moderator: Dr. Julius Caesar Parrenas, APFF Coordinator and Senior Advisor, Nomura Research Institute Ltd.

5 mins Introductory remarks by Session Moderator

30 mins **Panel discussion** (5 minute initial responses each to moderator questions and additional responses to follow up questions)

- Dr. Michael Turner, President, Policy and Economic Research Council (*Focus: How APFF/FIDN is helping APEC economies accelerate the development of their credit information infrastructure*)
- Mr. Surapol Opasatien, CEO, National Credit Bureau of Thailand (*Focus: The Mekong region initiative for cross-border credit information sharing*)
- Mr. Christopher J. Wohlert, Business Leader, Commercial Distribution Finance, Asia, Wells Fargo Bank, N.A. (*Focus: Progress of secured transaction reform in APEC economies*)

10 mins **Open forum**

5 mins Concluding remarks by Session Moderator

16:40-17:00 CONCLUDING SESSION

16:40-17:00 **Closing remarks**

Dr. Alan Bollard, Executive Director, APEC Secretariat



Asia-Pacific Financial Forum BREAKFAST MEETING ON PROMOTING THE ISLAMIC INFRASTRUCTURE INVESTMENT PLATFORM (I3P)

8:00 AM – 9:30 AM

22 February 2017

Library Room, Dusit Thani Bangkok Hotel
Bangkok, Thailand

Draft as of 2017-02-10

Islamic finance has significant potential to meet long-term funding needs for infrastructure projects, which are suitable for its asset-based and risk-sharing nature. At the 2015 APEC Finance Ministers' Meeting hosted by the Philippines in Cebu, ministers and the private sector discussed the development of an Islamic Infrastructure Investment Platform (I3P), in order to facilitate the mobilization of capital in Islamic institutions to fund infrastructure across the region. In October 2015, the government of Brunei Darussalam hosted a workshop in collaboration with the APEC Business Advisory Council (ABAC) Brunei, the APIP and the APFF. In May this year, the government of Malaysia, in collaboration with ABAC Malaysia, hosted an APFF workshop to develop concrete proposals.

Participants in the workshop agreed on the following proposed features of I3P:

- I3P would provide a platform for collaboration among public, private, international and academic experts to address the key obstacles to the expansion of cross-border investment by Islamic financial institutions, especially long-term investment from takaful and Islamic pension funds, in infrastructure projects in the Asia-Pacific region, including the ASEAN+3, APEC and other interested economies.
- I3P would be a pathfinder initiative involving initially Brunei, Malaysia and other interested ASEAN+3 and APEC member economies that can be open to participation by other interested economies as it develops. It is hoped that I3P's success in addressing key issues would lead to more cross-border investment in infrastructure among participating economies, as well as more investment from leading Islamic financial centers to the region.
- I3P would be an APFF initiative to be championed jointly by Brunei, Malaysia, ABAC, and any other interested economies. The pathfinder economies will also invite ADB and the World Bank Group to support the initiative. FMP policy initiatives such as the APFF and APIP will mobilize experts from their respective networks, as well as other institutions such as the Islamic Development Bank and the Sustainable Infrastructure Foundation.
- I3P will have a small secretariat based in a location agreed upon by the pathfinder economies. The funding for the secretariat may be provided by the public or private sector or both, or may be shouldered by an existing organization.
- During the initial stage, a small APFF task force led by the Brunei private sector would play a provisional secretariat role, while undertaking activities and discussions leading to the establishment of the secretariat. The role of the secretariat would be mostly coordination and maintenance of a directory of experts participating in the initiative.

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- Actual work would be undertaken by public, private, international and academic experts on a volunteer basis, organized around a number of work streams led by volunteer Sherpas agreed upon by the pathfinder economies.
- Activities would be undertaken on a self-funded basis. Participating organizations will be encouraged to host activities. Participants will be responsible for financing their own travel and accommodation through their own institutions or sponsors. Funding may be solicited from appropriate sources for projects that require significant dedication of time and effort, such as research projects or surveys.
- During the initial stage, I3P would have the following work streams to address key issues identified during the first two workshops:
 - a. development of common definitions of Sharia-compliant infrastructure projects and financial instruments acceptable in all pathfinder economies, taking into account the proposals to define infrastructure and real assets and their incorporation in an enabling Islamic investment infrastructure environment referred to later in this report;
 - b. development of Islamic hedging instruments;
 - c. development of financial instruments suitable for infrastructure investment from Islamic pension funds and takaful;
 - d. identification of discriminatory tax policies in pathfinder economies and actions to address them;
 - e. development of a virtual place to coordinate directory of experts, definitions, funders, participating economies, qualifying infrastructure projects to help progress various initiatives under this platform; and
 - f. collaboration with the International Infrastructure Support System (IISS) in developing project preparation tools for participating economies.

At this breakfast meeting, key stakeholders will discuss the process and next steps for (1) establishing the I3P and its work streams, in particular through a conference to be held in the region in the first half of 2017 and active participation in the Finance Ministers' Process workshop on PPP that Vietnam will host on May 16 prior to the Senior Finance Officials' Meeting; and (2) collaborating to obtain the endorsement of I3P by APEC Finance Ministers in their Joint Finance Ministerial Statement to be finalized at their meeting in Quang Nam in October 2017.

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AGENDA

Meeting Chair: Tan Sri Dato' Azman bin Hashim, Chairman, AmBank Group; Member, ABAC Malaysia

- 08:00-08:10 **Welcome remarks**
Mr. Kobsak Duangdee, Secretary General, Thai Bankers' Association; Member, ABAC Thailand

Mr. Hiroyuki Suzuki, APFF Chair; Vice Chairman, Nomura Research Institute Ltd; Member, ABAC Japan
- 08:10-08:15 **Opening remarks**
Hon. Kiatchai Sophasatienpong, Vice Minister, Ministry of Finance, Thailand
- 08:15-08:25 **Background briefing on progress of I3P and proposed next steps**
Dr. J.C. Parrenas, APFF Coordinator and Senior Advisor, Nomura Research Institute Ltd.
- 08:25-08:35 **Comments**
Mr. Soon Loo, CEO and Managing Director, Darussalam Enterprise; Member, ABAC Brunei Darussalam

Tan Sri Rastam Mohd Isa, Chairman, Institute of Strategic and International Studies Malaysia; Member, ABAC Malaysia
- 08:35-09:20 **Open Discussion with Finance Ministry officials, financial regulators and Islamic institution executives from Brunei Darussalam, Malaysia and Thailand**
- 09:20-09:30 **Summary of agreed next steps and concluding remarks by Meeting Chair**



Draft as of 2017-02-14

Asia-Pacific Financial Forum WORKSHOP ON KEY ISSUES IN DEVELOPING THAILAND'S REPO AND OTC DERIVATIVES MARKETS

AN INITIATIVE UNDER THE APEC FINANCE MINISTERS' CEBU ACTION PLAN

Co-organized by:

APEC Business Advisory Council (ABAC)
Asia Securities Industry and Financial Markets Association (ASIFMA)
International Swaps and Derivatives Association, Inc. (ISDA)

Hosted by

ABAC Thailand

22 February 2017

Jamjuree Room, 11th Floor, Banyan Tree Hotel
Bangkok, Thailand

The development of deep, liquid and integrated capital markets in the region is an important but complex undertaking that will take time to accomplish. While various initiatives are already being undertaken to achieve this goal, there is scope for accelerating the process through greater private sector involvement and collaboration with public institutions. Two areas where the Asia-Pacific Financial Forum (APFF) is promoting undertakings involving such collaboration as part of the APEC Finance Ministers' Cebu Action Plan are: (a) classic repo markets and (b) the legal infrastructure for risk mitigation in capital markets.

Over the counter (OTC) derivatives play critical roles in capital markets, as they are used by firms to manage balance sheet liabilities and cash flows as well as hedge various economic risks, including interest rate and foreign exchange risks. A number of new regulations introduced to improve transparency, mitigate systemic risk and prevent market abuse are changing the landscape for these instruments, including in ways not intended but posing challenges in terms of their impact on hedging costs, bid-offer spreads and ease of trading.

APFF aims to help policy makers and regulators identify and address key issues that affect the effectiveness and connectivity of OTC derivatives clearing houses in the region. An important focus of this work is the legal and documentation infrastructure required to support safe, efficient markets. Contractual legal certainty and protection of collateral rights are vital building blocks that allow capital markets to facilitate capital investments, extend credit and provide business risk mitigation hedging tools. Key issues revolve around three areas: legal netting infrastructure, protection of collateral interests, and margining of non-cleared derivatives.

Developing classic bond repurchase (repo) markets is also critical to the deepening of the region's capital markets and the real economy. Repo markets play an important role in increasing liquidity in local currency bond markets, expanding the pool of available finance, mobilizing collateral regionally, reducing funding costs for governments, pension funds, asset managers and other long-term investors and offering hedging tools which contribute to risk management. Thailand has taken many of the necessary steps in creating a classic repo market. It is important for the public

and private sectors to continue to examine any remaining areas which would further develop the depth and liquidity of the repo market.

This workshop brings together experts from industry and the private sector as well as government and regulatory agencies to examine the various issues that are relevant to Thailand in its effort to develop deep and liquid capital markets. The conclusions of these discussions will be developed into a report that can serve as a guide for Thai policy makers in designing and implementing concrete legal, policy and regulatory reforms that will help accelerate capital market deepening and development.

AGENDA

09:30-10:00	REGISTRATION AND COFFEE
10:00-10:15	OPENING SESSION
10:00-10:05	Welcome remarks Mr. Kobsak Duangdee, Secretary General, Thai Bankers' Association and Member, APEC Business Advisory Council
10:05-10:10	Opening remarks Mr. Hiroyuki Suzuki, Vice Chairman, Nomura Research Institute Ltd; Chair, Asia-Pacific Financial Forum and Member, APEC Business Advisory Council
10:05-10:15	Keynote speech Dr. Vachira Arromdee, Assistant Governor, Financial Markets Operations Group, Bank of Thailand
	SESSION 1: ADDRESSING KEY ISSUES IN THE DEVELOPMENT OF OTC DERIVATIVES MARKETS IN THAILAND
10:20-12:30	<i>Part I: Margin Requirements for Non-cleared Derivatives</i> To be conducted by: <ul style="list-style-type: none"> • Mr. Keith Noyes, Regional Director – Asia-Pacific, International Swaps and Derivatives Association, Inc. (ISDA) • Ms. Melody Ma, Assistant General Counsel – Asia-Pacific, ISDA
10:20-12:15	Presentation <ul style="list-style-type: none"> • What are the margin requirements? • Current state of play • March 1 VM “Big Bang” • Implications for Asia Pacific • How can firms comply?
12:15-12:25	Open Forum
12:25-12:30	Summary and Concluding Remarks by the Session Chair
12:30-13:30	Lunch
13:30-14:30	<i>Part II: Basel Capital Rules</i> To be conducted by: <ul style="list-style-type: none"> • Mr. Kishore Ramakrishnan, Director, Consulting, PwC Consulting

	Hong Kong Ltd
13:30-14:15	Presentation
14:15-14:25	Open Forum
14:25-14:30	Concluding remarks by Session Chair
	SESSION 2: DEVELOPING DEEP AND LIQUID REPO MARKETS IN THAILAND
14:30-15:30	<i>Part I: Panel to discuss Development of Deep and Liquid Repo Markets in Thailand</i> To be conducted by <ul style="list-style-type: none"> • Mr. Nicholas de Boursac, CEO, Penridge
	Panelists <ul style="list-style-type: none"> • Ms. Sawanna Chanyawongsak, Director, Head of Local Markets Treasury / Country Treasurer Thailand, Citi • Mr. Paul Landless, Partner, Clifford Chance • Miss Panarat Tangsuksavangporn, Director, Head of Fixed Income & Currencies Thailand, Deutsche Bank • Mr. Jean-Remi Lopez, Director of Government Relations, Asia Pacific, The Depository Trust & Clearing Corporation (DTCC) • Ms. Ariya Tiranaprakij, Senior Executive Vice President, Thai Bond Market Association (ThaiBMA)
15:30-16:00	Coffee Break
16:00-16:30	<i>Part II: Review and Update of the Global Master Repurchase Agreement (GMRA)</i> To be conducted by <ul style="list-style-type: none"> • Mr. Paul Landless, Partner, Clifford Chance
16:30-16:35	CONCLUDING SESSION
16:30-16:35	Closing Remarks Mr. Patrick Pang, Managing Director and Head of Fixed Income, ASIFMA



APFF Public-Private Sector Financial Technology Dialogue Facilitating innovation in financial market infrastructure fintech and trade and supply chain finance

March 2017
Bangkok, Thailand

Convened by:
APEC Business Advisory Council (ABAC)
ASEAN Bankers' Association
Thai Bankers' Association

Draft as of 2017-01-31

Fintech and Digital Trade Finance

The growing role of Fintech raises new opportunities and risks with respect to the development of the region's financial market infrastructure (FMI), which is also particularly important in promoting cross-border operations of MSMEs. As governments begin to grapple with the issues that Fintech raises, government-industry collaboration will be important to understand the impact of developments and determine appropriate regulation that allows innovation while protecting the consumer and limiting systemic risk. Inter-agency cooperation will be particularly important as issues go across government departments. Cooperation between governments will also be important to reduce the risk of different standards developing across APEC economies.

Fintech is affecting a large number of traditional financial services offerings. Regulators continue to have the responsibility of learning from the problems of the past and addressing issues in traditional financial services and service providers. The rise of Fintech brings a new challenge for financial regulators to create a regulatory regime that is adaptable and flexible enough for the present and the future, given the rapid rate of change in technology.

In digital trade and supply chain finance, the utilization of advance technologies by businesses and the financing sector can increase their resilience and responsiveness to potential shocks from radical changes, and can be of strategic importance to economies and participants alike. The sessions will explore how these technologies can be applied to financing, e-commerce, compliance like Anti-Money Laundering (AML) and Know-Your-Transaction (KYT) and business processes. Equally important are the identification of policies, law and regulations that may need to be revised to reflect such applications – such revisions can not only ensure new growth and sustainability, but also strengthen the stability, integrity and fairness of the system.

This Dialogue seeks to bring together industry, public sector and multilateral stakeholders discuss to identify policy and regulatory approaches and ways forward to address issues in three key areas. These cut across Fintech developments in APEC where early work and progress can be made under the APFF process – Cybersecurity, Know-Your-Customer (KYC) and Anti-Money Laundering rules, Electronic Payments (e-Payments) and Electronic Commerce (e-Commerce).

AGENDA

Registration

OPENING SESSION

Welcome and introduction

Mr. Kobsak Duangdee, Secretary General, Thai Bankers Association and Member, APEC Business Advisory Council

Welcome remarks

TBD, ASEAN Bankers' Association

Keynote address

TBD, Bank of Thailand

SESSIONS ON FINTECH

SESSION I: E-PAYMENTS – 75 - min

E-Payments have a major impact by lowering transaction costs, increasing transparency, and making transfers of money faster and more efficient. Restrictions on e-Payments, including amounts that can be processed, the type of entity that can engage in processing, location of processing facilities, or the technology that can be used will impact growth, equity, and innovation. Cross department cooperation is also important. Drawing on the latest APEC e-Payment Readiness Index,¹ discussions will explore conditions under which economies can promote healthy disruption and encourage firms and consumers into the e-Payments infrastructure, and how e-Payments systems can make compliance with AML and CTF rules, and identification and payment of taxes and other processes easier, less costly, less time-consuming and more transparent.

Moderator: David Katz, Chair, APFF FMI Fintech Sub-Group

Introductory remarks by Session Moderator

Presentations/Panel Discussion

XXXXXX, *e-payments Company* (discuss emerging business models with focus on APEC economies)

XXXXXX, *International Financial Institution* (on intersect of e-payments with the broader financial markets)

XXXXXXX, *Blockchain enterprise* (the emergence of distributed ledger technologies to facilitate cross-border payments)

Open forum

Concluding remarks by Session Moderator

SESSION II: KNOW-YOUR-CUSTOMER (KYC) RULES – 60 - min

Identity is critical for people to bank and transact. However, mobile phones and data are powering new ways to open up access and participation. In order to provide effective, safe, and secure products, service providers need to be able to easily and reliably identify consumers. Technology can help to provide better forms of identity using biometrics, transaction details, or physical tokens (i.e. mobile phones). Discussions will focus on the myriad of KYC regulations across the region,

¹ The report may be downloaded from

https://www2.abaonline.org/assets/2016/3%20Shenzhen/Resource_Material_-_Fintech_E-payment_Readiness_Index_20161.pdf.

creating interoperable baseline standards for KYC, exploring new ways of identity verification as well as tiers of KYC appropriate to the type and value of transactions.

Moderator: Think Tank or Legal Expert

Introductory remarks by Session Moderator

Presentations/Panel Discussion

XXXXXX, *Bank Representative* (review current processes around KYC and thinking around new processes to ensure identity and compliance with AML/CTF requirements)

XXXXXX, *Consultancy Firm or Company Representative* (innovations in data collection processes from financial services and other sectors that could help drive new methods of KYC)

XXXXXX, *Industry Organization* (provide viewpoint from sector level on importance of maintaining strong KYC while opening path to innovation)

Open forum

Concluding remarks by Session Moderator

Tea break

SESSION III: Cybersecurity – 75 - min

Fintech has the potential to leverage data and new risk modeling techniques to lower security risks. Cybersecurity remains a major risk as Fintech evolves, but better technology that can properly combat new risks raised in a digital world could provide a solution. Robust cybersecurity can ensure that high levels of security are maintained and enhanced at the economy level even amidst increasing cross-border data flows. Discussions will focus on best practices and opportunities and risks involved in various policy options.

Moderator: Academic or Think Tank Expert

Introductory remarks by Session Moderator

Presentations/Panel Discussion

XXXXXX, *Legal Expert* (regulatory overview of data security and privacy and relationship to cross border aspects of movement of information across jurisdictions)

XXXXXX, *Bank Representative* (discuss reliance of modern banking business model on secure systems and innovations that permit this to be done on a cross-border basis)

XXXXXX, *Consultant or Company Representative* (highlight regulatory best practices that promote cybersecurity and robust cross border data flows)

Open forum

Concluding remarks by Session Moderator

Coffee break

SESSIONS ON TRADE AND SUPPLY CHAIN FINANCE

SESSION IV: KNOW-YOUR-TRANSACTION FOR TRADE AND SUPPLY CHAIN FINANCE – 60 min.

A recent publication of Trade Finance Principles by the Wolfsberg Group, ICC and the BAFT reiterated the responsibilities of the financing sector involved in trade finance to have a good knowledge of their customer, the business that they conduct and to follow strictly the regulations to

detect and prevent financial crimes.

To raise awareness of these requirements that users of finance will also need to know, and where consistent cross-border standards can facilitate more efficient and effective compliance, the session will highlight the regulatory requirements, challenges that can be faced by banks and businesses and the emergent role of blockchain in KYT (Know-Your-Transaction) to facilitate efficient and effective compliance in trade and supply chain finance.

Moderator: Boon-Hiong Chan, Sherpa, APFF Trade & Supply Chain Finance Workstream

Introductory remarks by Session Moderator

Presentations/Panel Discussion

XXXXXX, *bank or consultancy firm or legal expert* (on the requirements of Sanctions, KYT and AML regulations in trade and supply chain finance and next steps)

XXXXXX, *bank or consultancy firm* (on the challenges with industry existing AML processes: onboarding, surveillance, limited information, reporting)

Antonio De Lorenzo, VP Partnership, Identitii (on blockchain's emerging role; tracking payment-transaction-client over time and regardless of volume complexity) **tbc**

Open forum

SESSION IV: E-COMMERCE OPPORTUNITIES AND PREPARATIONS – 75 min.

An efficient and effective e-commerce environment can help businesses increase the velocity of cashflow management, reduce the costs related to inefficient administration of cross-border trade and thereby lower the barriers for businesses to better compete in today's challenging environment.

This session will explore the application of leading technology and approaches in the electronic supply chain management ecosystem; finance, compliance, logistics and information flow and legal and regulatory angles for considerations of next step reforms that may be required to unlock further growth and competitiveness for the industry.

Moderator: Ivan Mortimer Schutts, Payments and Digital Finance Specialist, World Bank Group **tbc**

Introductory remarks by Session Moderator

Presentations/Panel Discussion

XXXXXX, *bank* (on the different use cases of digital trade finance & supply chain finance, and their relationships with logistics and documentary information flows)

XXXXXX, *IZP Global Port Alliance* (on a new port ecosystem with innovative customs clearance and application of port big data for seamless cross-border trade and logistics) **tbc**

Antonio DE Lorenzo, VP Partnership, Identitii, (on how KYT would integrate and work with digital trade finance and digital-based logistics) **tbc**

XXXXXX, *legal expert* (on key legal and regulatory considerations and potential reforms required to support sustainable paper-less digital trade finance ecosystem)

Open forum

Concluding remarks by Session Moderator

CONCLUDING SESSION

Closing remarks



Promoting PPPs in Waste Management Projects A Joint APFF/APIP Dialogue with the Government of Indonesia

14 March 2017

14:00 – 17:30

Bandung-Surabaya Rooms (Mezzanine Level), The Hermitage Hotel
Jalan Cilacap No. 1, 10310 Jakarta, Indonesia

Convened by:

APEC Business Advisory Council (ABAC)
Asia-Pacific Financial Forum (APFF)
Asia-Pacific Infrastructure Partnership (APIP)
The Government of the Republic of Indonesia

Co-Organized by:

Ministry of the Environment, Government of Japan

Draft as of 2017-02-13

A recent High-Level APEC conference held in Tokyo¹ highlighted the social and economic importance of solid waste management systems. The need to accelerate the development of infrastructure to deal with the exponentially growing volume of waste being generated is particularly acute in the Asia-Pacific region, which is expected to produce 1.4 billion metric tons of municipal solid waste annually by 2030.² Effective waste management reduces plastics waste leakage, makes people healthier, creates jobs and reduces emissions of toxins and greenhouse gases. In Indonesia, studies predict that increased collection and treatment in the largest cities (those with over 2 million inhabitants) can almost double employment in waste management, generating around 24,000 additional jobs over 10 years.

Globally, the revenue gap in financing for the municipal solid waste sector has reached an estimated US\$40 billion. Bridging this gap requires adequate political, economic and regulatory conditions that enable the flow of investment in waste management solutions from private investors, multilateral development banks and other sources of capital. There is great potential for the region's huge savings and the large amounts of money in institutions such as pension funds, insurance firms and sovereign wealth funds seeking opportunities to invest in long-term infrastructure assets to be mobilized to help meet these financing needs. Realizing this potential, however, requires a deeper understanding and improved capacity on the part of the public sector to develop bankable projects.

The involvement of multiple stakeholders across several stages of the waste management system (collection, separation, recycling, treatment and disposal), the challenging economics of the sector,³ regulatory complexity, and the lack of data and monitoring and measurement systems are among the factors that make the role of government critical.

¹ APEC High Level Meeting on Overcoming Barriers to Financing Waste Management Systems to Prevent Marine Litter, 28-29 September 2016, Mita Kaigisho Conference Center, Tokyo, Japan.

² United Nations Environment Programme (UNEP) and International Solid Waste Association (ISWA), *Global Waste Management Outlook 2015*.

³ This is due to the fact that many households in developing economies cannot afford, or do not place enough value on collection, to pay for the service in view of culturally acceptable alternatives such as burning, dumping or burying trash.

Thus, collaboration and dialogue between private and public sector, including multilateral and bilateral development finance institutions, are imperative for success.

This dialogue seeks to bring key stakeholders together to contribute insights to the Indonesian central and local governments and relevant supporting institutions on the best way forward. Solid waste management systems are critical for Indonesia given its archipelagic geography, its stage of economic development and urbanization and the accelerating growth of solid waste production that is rapidly outstripping capacity to manage this waste. Municipal solid waste has become a public health and environmental hazard, causing significant losses in tourism revenue.⁴ This dialogue comes at a time when Indonesian cities are looking for solutions to this issue and exploring a variety of actions, including improving basic collection, waste-to-energy projects and new technologies for vertical integration.

The dialogue, which is being convened in partnership with the Government of Indonesia and the Ministry of the Environment of Japan by the APEC Business Advisory Council (ABAC), will leverage two platforms for public-private collaboration that have been established under the APEC Finance Ministers' Process and are being managed by ABAC.

- The Asia-Pacific Financial Forum (APFF) will seek to involve key institutions including major insurance firms, pension funds, asset management companies and industry associations providing advice to public sector stakeholders on ways to unlock the potential of long-term investors in financing infrastructure projects.
- The Asia-Pacific Infrastructure Partnership (APIP) includes experts from leading firms that are active in financing and developing infrastructure projects across the region and the globe and can provide insights to governments on the design of bankable projects that can attract private sector investment in the context of existing realities in their respective markets.

The dialogue will seek to bring to the table together with the private sector key institutions with which APFF and APIP are actively collaborating in the area of infrastructure finance. These include the Asian Development Bank (ADB) the World Bank Group (WBG), the Organization for Economic Co-operation and Development (OECD) the Global Infrastructure Hub (GIH), the International Infrastructure Support System (IISS), and bilateral development agencies, among others. By focusing discussions on the most important concrete and practical issues to address key obstacles to the flow of private sector investment in Indonesian solid waste management projects, this dialogue hopes to contribute to the development of models that can help catalyze the growth of PPPs in waste management in Indonesia and across the region.

⁴ Hans Nicholas Jong, "Indonesia in state of waste emergency," *The Jakarta Post*, October 9, 2015 (<http://www.thejakartapost.com/news/2015/10/09/indonesia-state-waste-emergency.html>)

AGENDA

- 13:30 – 14:00 **Participants' Registration**
- 14:00 – 14:15 **Welcome Remarks**
- *Senior representative(s) from Indonesian Government (Ministry of Finance, Ministry of Environment and Forest and/or Coordinating Ministry for Maritime Affairs)*
 - *Senior representative from Japanese Government (TBC)*
 - *Representative from APFF*
- 14:15 – 14:20 **Introductory Remarks and Perspectives from the Private Sector**
Mr. Mark Johnson, Senior Advisor, Gresham Partners; and *APIP Chair*
- 14:20 – 14:35 **Presentation on a Waste-to-Energy Project (WtE) in Indonesia Currently Being Planned and Discussed: Situation, Challenges and Opportunities**
- *TBD, Ministry of the Environment, Japan*
“MOEJ bilateral cooperation for waste management and the challenges to implement waste management project in Indonesia”
 - *TBD, Clean Authority of Tokyo*
“Fiscal Spending for Waste Management in Tokyo”(TBC)
- 14:35 – 15:30 **Discussions on Agenda Items**
- Jointly moderated by the Senior Representative from Indonesian Government and Mr. Mark Johnson*
- ❖ Best practices in construction and operation of waste management projects (WtE, recycling, collection): project scope/assumptions, term of contract preparation of bidding documents, system design, selection of contractor, selection of appropriate technology, environmental impact, monitoring of facility, etc.
 - ❖ Regulatory issues (e.g., legal and regulatory frameworks for municipal solid waste)
- 15:30 – 15:45 **Coffee Break**
- 15:45 – 17:10 **Continuation of Discussions on Agenda Items**
- ❖ Inter-agency coordination
 - ❖ Risk allocation among public and private sector stakeholders
 - ❖ Financing (use of subsidies, feed-in tariffs, guarantees and taxes)
- 17:10 – 17:20 **Conclusions and Recommendations for Developing Bankable Waste Management Projects in Indonesia and Other Developing APEC Economies**
Mr. Mark Johnson (TBC)
- 17:20 – 17:30 **Closing Remarks**
Senior representative(s) from Indonesian Government (Ministry of Finance, Ministry of Environment and Forest and/or Coordinating Ministry for Maritime Affairs)



Workshop on a Microinsurance Development Roadmap for Asia-Pacific Emerging Markets

March 16, 2017 / Sheraton Hotel, Hanoi, Vietnam

Draft as of 2017-02-09

Agenda	
14.00 – 14.30 (30mins)	<p>OPENING SESSION</p> <ul style="list-style-type: none"> • Welcome remarks: TBD, Ministry of Finance Vietnam, chair of APEC 2017 • Welcome remarks: Dr. Antonis Malagardis, Coordinator, Asia-Pacific Financial Forum (APFF) Microinsurance Work stream • Welcome remarks: Dr. Julius Caesar Parreñas, Coordinator, APFF
14.30 – 15:00 (30mins)	<p>SESSION 1: RATIONALE AND KEY ELEMENTS OF A ROADMAP Session Chair: Dr. Julius Caesar Parreñas, Coordinator, APFF</p> <ul style="list-style-type: none"> • A summary of the current situation of microinsurance coverage in Southeast Asia, China, Chile, Mexico and Peru, by TBD • Key elements of a roadmap: Initial ideas, by Dr. Antonis Malagardis, Program Director, GIZ RFPI Asia • Discussion
15.00 – 15.15	Coffee break
15.15 – 16.45 (90mins) 8 panelists	<p>SESSION 2: PANEL DISCUSSION – STAKEHOLDER PERSPECTIVES: WHAT TO INCLUDE IN THE ROADMAP Session Chair: Dr. Antonis Malagardis, Program Director, GIZ RFPI Asia</p> <ul style="list-style-type: none"> • Expanding Microinsurance Coverage in the Agriculture Sector, by Dirk Reinhard, Vice President, Munich Re Foundation TBD • Delivery Channels and Harnessing the Use of Technology, by Microinsurance Network TBD • Financial Literacy and Education, by Aparna Dalal, ILO Impact Insurance TBD • Policy and Regulatory Environment, by 3 regulators (Vietnam, Philippines, PNG) and 2 industry players (Peru, Indonesia)
16:45-17:00 (15mins)	<ul style="list-style-type: none"> • Proposed next steps in drafting the roadmap by Mr. Dante Portula, Senior Advisor, GIZ RFPI Asia • Discussion • Concluding remarks by Dr. Antonis Malagardis

APFF and ASIFMA Conference: Corporate Bonds, Repo & OTC Derivatives Developments in China

16-17 March 2017 | Beijing



Program (as of 14 Feb 2017)

Day 1, Thursday 16 March 2017

Location: Westin Beijing Financial Street

Remarks: Closed to the media; Estimated 200 people

12:00-13:00 **Registrants Check-in, Buffet Lunch (Networking)**

13:00-13:30 **Keynote – Status of Chinese Bond Market**

- [Senior PBOC representative]

13:30-14:00 **Presentation - China's Capital Markets: Navigating the Road Ahead (ASIFMA White Paper)**

- **Mark Austen, CEO, ASIFMA**

14:00-14:20 **Presentation - Latest Trends in Chinese Corporate Bond Market**

- [Senior NAFMII representative]

14:20-15:20 **Panel 1: Corporate Bond Market – Issuance, Due Diligence, Underwriting, Credit Rating**

- **Ivan Chung, Associate MD, Head, Greater China Credit Research and Analysis, Moody's Investors Service**
- **BNP Paribas**
- **Jini Lee, Partner, Ashurst (Moderator)**
- [PBOC rep, Financial and Policy Bank Bonds]
- [NAFMII rep, Short Commercial Paper]
- [CSRC rep, Listed Corporate Bonds]
- [NDRC rep, Enterprise Bonds]
- [Chinese Underwriter]
- [Domestic Rating Agency]
- [International Asset Manager]

15:20-15:40 **Coffee Break**

APFF and ASIFMA Conference: Corporate Bonds, Repo & OTC Derivatives Developments in China

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- 15:40-16:00 **Presentation - Improving the Investor Base for Local Currency Bond Markets in China, India and Indonesia (GIZ and CEPS Research Report)**
- Achim Deuchert, Director, GIZ
 - Willem Pieter de Groen, Research Fellow, Financial Institutions, Prudential Policy, Tax Unit, CEPS
- 16:00-17:00 **Panel 2: Secondary Market – Price Discovery, Trading and Settlement, Global Investor Access, Inclusion in Global Indices**
- Brad Gibson, Portfolio Manager – Fixed Income, AB
 - Bo Zhou, Business Manager for Greater China, Bloomberg
 - Ping Feng, Head of Asset Management Department, CICC
 - [CFETs and/or SSE, trading]
 - [CCDC and/or SCH, clearing and settlement]
 - [Euroclear and/or Clearstream, international clearing and settlement]
 - [International Dealer]
 - [Global Index Provider]
- 17:00-17:50 **Panel 3: Recent Bond Market Developments: Panda Bonds; Securitization and Municipal Bonds**
- Agnes Tsang, Consultant, Allen & Overy
 - Benjamin Lamberg, MD, Global co-Head of MTNs & Private Placements and Asian Syndicate, Crédit Agricole Corporate and Investment Bank
 - [NAFMII rep]
 - [Domestic Bank]
 - [Domestic Rating Agency]
 - [International Panda Issuer]
 - [International Securitisation Issuer]
 - [Asset Manager]
- 17:50-18:00 Wrap Up For Day 1

APFF and ASIFMA Conference: Corporate Bonds, Repo & OTC Derivatives Developments in China

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Day 2, Friday 17 March 2017

Location: Westin Beijing Financial Street

Remarks: Closed to the media; Estimated 200 people

08:00-8:30 **Registrants Check-in**

08:30-8:40 **Welcome Address**

08:40-9:00 **Opening Remarks**

- **Ken Katayama**, Staffer, **ABAC**; Sherpa, **APFF**; Senior Researcher, Financial IT Wholesale Business Planning Department, **Nomura Research Institute Limited**

9:00-09:30 **Presentation - Basel Rules and Impact on Chinese Capital Markets**

- [Bank / Law Firm]

9:30-10:30 **Panel 4: Importance of Bankruptcy Reforms and Recognizing Netting and Settlement Finality for Capital Market Development and Other Legal Issues with Collateral**

- **Jing Gu**, Senior Counsel, **ISDA**
- [International Law Firm]
- [Chinese Regulator]
- [Chinese Law Firm]
- [Market Participant]

10:30-10:45 **Coffee Break**

10:45-11:45 **Panel 5: Development and Trading of Hedging Tools**

- **CFFEX** (representative from Bond Department)
- [SCH, Clearing and Settlement]
- [CLS, FX Settlement]
- [International Bank]
- [Domestic Bank]
- [Asset Manager]

11:45-12:45 **Panel 6: Margin Requirements**

- **Keith Noyes**, Regional Director, Asia Pacific, **ISDA**
- [International Law Firm]
- [International Bank]
- [Domestic Bank]

12:45-13:45 **Buffet Lunch (Networking)**

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- 13:45-14:45 **Panel 7: Development of Classic Repo Markets**
- **Noritaka Akamatsu**, Senior Advisor, Financial Cooperation & Integration, **Asian Development Bank (ADB)**
 - **Patrick Pang**, Managing Director – Head of Fixed Income and Compliance, **ASIFMA**
 - [NAFMI]
 - [Chinese Market Participant]
 - [International Market Participant]
- 14:45-15:45 **Panel 8: Infrastructure for Trading, Clearing and Settlement of Repos**
- **Alexandre Kech**, Head of Securities Markets and Standards, APAC, **SWIFT**
 - [CFETS]
 - [CDCC]
 - [SCH]
 - [ICSD]
 - [International Market Participant]
 - [Domestic Market Participant]
- 15:45-16:00 **Coffee Break**
- 16:00-17:00 **Panel 9: Impact of Legal Documentation, Tax and Accounting Frameworks for Repos**
- [ICMA]
 - [NAFMI]
 - [International and/or Local Law Firm]
 - [International and/or Local Accounting Firm]
 - [Tax Expert]
- 17:00 **Concluding Remarks**

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