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 Asia-Pacific  
Economic Cooperation

**THE ADVISORY GROUP ON APEC FINANCIAL SYSTEM**  
**CAPACITY-BUILDING**  
A Public-Private Sector Initiative

**Fourth Meeting 2010**  
10 November 2010  
10:15 AM – 12:15 PM  
Seiryu I/II, Yokohama Bay Sheraton Hotel & Towers  
Yokohama, Japan

**Meeting Paper 3-B**  
**Report on 2010 Advisory Group**  
**Activities and Initiatives**

Office of the Advisory Group Chair



*Advisory Group 2010 – Policy Areas*

- ✦ Financial Inclusion
- ✦ SMME Finance
- ✦ Capital Markets
- ✦ Infrastructure PPP
- ✦ Capacity Building for Regulatory Reforms

*We welcomed inputs from the ABAC, which put forward concrete recommendations on the promotion of infrastructure public-private partnership, small and medium enterprise finance, financial inclusion, regulatory reforms and the development of bond markets.*

***APEC Finance Ministers' Joint Statement***



## *Financial Inclusion*

### DELIVERABLES

- ✦ Discuss with APEC officials
- ✦ Launch APEC Financial Inclusion Initiative

### ACTIVITIES:

- ✦ Sapporo FI Forum, 3 presentations for officials, Bangkok brainstorming, Shanghai FI conference
- ✦ Initiative launched at Kyoto AFMM

*Today, we have launched APEC's Financial Inclusion Initiative...*

*We also welcome the ABAC's initiative to set up regular meetings of the ABAC Financial Inclusion Forum. The first Forum was successfully held in Sapporo this May and focused on the recent development of microfinance.*

***APEC Finance Ministers' Growth Report to Leaders***



## *Capital Markets*

### DELIVERABLES

- ✦ Bond Market Forum

### ACTIVITIES:

- ✦ Sapporo BM Forum
- ✦ Asian Regional Funds Management Passport Scheme (APEC Senior Finance Officials)

*We welcome the 4<sup>th</sup> APEC Public-Private Sector Forum on Bond Market Development held in Sapporo this May.*

***APEC Finance Ministers' Growth Report to Leaders***

*We also recognize the importance of creating more open and integrated financial markets in the region and welcome efforts to facilitate cross-border marketing of fund management services within Asia.*

***APEC Finance Ministers' Joint Statement***



## *Infrastructure PPP*

### DELIVERABLES

- ✦ Melbourne Workshop
- ✦ Launch Asia-Pacific Infrastructure Partnership

### ACTIVITIES:

- ✦ Melbourne Forum and Workshop
- ✦ Yokohama Private Infra Finance Forum
- ✦ Discuss APIP with finance ministries, ADB, World Bank, IADB in Yokohama

*In enhancing infrastructure finance, ...the role of the private sector is increasingly important...To help such efforts by governments, ...Export Credit Agencies (ECAs) can collaborate with MDBs and the private sector. We welcome the Infrastructure Forum to be held timely in Yokohama in November this year by the ABAC, the ADB and the Japan Bank for International Cooperation (JBIC).*  
***APEC Finance Ministers' Growth Report to Leaders***



## *SMME Finance*

*Not anticipated as deliverable in 2010*

### ACTIVITIES:

- ✦ APEC Seminar in Sendai
- ✦ Shanghai Conference
- ✦ Discussions on SME Finance Initiative for 2011

*Governments, in collaboration with the private sector, could consider initiatives to remove structural bottlenecks for SME finance through such measures as... (ii) establishment of credit information sharing systems, both positive and negative; (iii) expansion of eligible assets for collateral to intellectual property and receivables, and improvement of legal frameworks and enforcement to facilitate secured lending to SMEs.*

***APEC Finance Ministers' Growth Report to Leaders***



## *Capacity Building for Regulatory Reforms*

### DELIVERABLES

- ✦ 2010 Dialogue with Regulators

### ACTIVITIES:

- ✦ Manila Dialogue

*Sound and well-functioning financial systems are critical for sustainable growth and the efficient allocation of resources. We are committed to take action aimed at a domestic and international level to raise standards, so that our domestic authorities implement global standards consistently, in a way that ensures a level playing field and avoids fragmentation of markets, protectionism and regulatory arbitrage.*

*APEC Finance Ministers' Growth Report to Leaders*



## *Official Endorsement*

- ✦ APEC SME Ministerial (2-3 Oct, Gifu)
- ✦ AFMM (5-6 Nov, Kyoto)
  - ✦ Joint Statement
  - ✦ Growth Report
- ✦ AMM (TBC)
- ✦ AELM (TBC)



## *Reports and Publications*

- ✦ 2010 Advisory Group Report
- ✦ Reports
  - ✦ Melbourne PPP Forum/Workshop
  - ✦ Sapporo Bond Market/Financial Inclusion Forum
  - ✦ Manila Dialogue on regulatory reforms
  - ✦ Bangkok Brainstorming
- ✦ Publication: 2009 Tokyo Financial Inclusion Workshop Report



## *2010 Advisory Group Participants and Collaborators*

- |   |   |
|---|---|
| ✦ Japan METI (on behalf of APEC SOM), MOF (on behalf of APEC FMP), BOJ, FSA, JICA | ✦ ABAC  |
| ✦ Australian Treasury   | ✦ Alliance for Financial Inclusion                    |
| ✦ Philippine APEC Office  | ✦ Asia-Pacific Credit Coalition                       |
| ✦ US Department of the Treasury   | ✦ Asian Bankers' Association                          |
| ✦ ADB   | ✦ Foundation for Development Cooperation              |
| ✦ ADB Institute   | ✦ PECC  |
| ✦ IADB  | ✦ The Australian APEC Study Centre at RMIT University |
| ✦ IFC   | ✦ American Chamber of Commerce in Japan               |
| ✦ IMF   | ✦ ADFIAP  |
| ✦ WB  | ✦ ASIFMA  |
| ✦ CGAP  | ✦ SMART Infra Facility (Australia)                    |
| ✦ SEACEN  | ✦ Individual private sector firms                     |
| ✦ AFDC  | ✦ Universities  |

