

# THE ADVISORY GROUP ON APEC FINANCIAL SYSTEM CAPACITY-BUILDING

A Public-Private Sector Initiative

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## First Meeting 2011

14 February 2011

Shangri-La Hotel, Guangzhou Ballroom  
Guangzhou, People's Republic of China

## Meeting Paper 6-B

# FINANCIAL INCLUSION – REGULATIONS TO SUPPORT MSME FINANCING AVAILABILITY

Australian APEC Study Center at RMIT University

- PURPOSE** For consideration.
- ISSUE** Collaboration of the Advisory Group with the Australian APEC Study Centre at RMIT University on activities to promote financial inclusion
- BACKGROUND** The Australian APEC Study Centre at RMIT University (AASC) is working with the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP), and with other groups, to support APEC's work on Financial Inclusion in 2011, including the work of the Advisory Group. The focus of the work will be on promoting best practice principles for enabling regulatory and supervisory approaches directed toward enhancing MSMEs access to finance through banking, equity and debt capital markets and thereby to widen financial inclusion.
- A two-day symposium is proposed in the Philippines in the 2nd Qtr 2011, followed by an intensive training course in Melbourne in the 4th Qtr 2011. Representatives of regional policy and regulatory agencies, banks and financial institutions and capital markets and international organizations and standard setting bodies will be invited to the symposium to consider policy and regulatory challenges faced by MSMEs (and their financiers face) in accessing finance.
- PROPOSAL** Consider this as an integral contribution to the Advisory Group's work on financial inclusion in 2011.
- DECISION POINT** Agree to collaborate with AASC on these activities.

**ADVISORY GROUP ON APEC FINANCIAL SYSTEM CAPACITY BUILDING  
FIRST MEETING 2011, SHANGRI-LA HOTEL, GUANGZHOU, PEOPLE'S REPUBLIC  
OF CHINA**

**AGENDA ITEM 6 – FINANCIAL INCLUSION – REGULATIONS TO SUPPORT  
MSME**

**FINANCING AVAILABILITY.**

**Background**

The Australian APEC Study Centre at RMIT University (AASC) is working with the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP), and with other groups, to support APEC's work on Financial Inclusion in 2011, including the work of the Advisory Group.

The focus of the work will be on promoting best practice principles for enabling regulatory and supervisory approaches directed toward enhancing MSMEs access to finance through banking, equity and debt capital markets and thereby to widen financial inclusion.

A two-day symposium is proposed in the Philippines in the 2<sup>nd</sup> Qtr 2011, followed by an intensive training course in Melbourne in the 4<sup>th</sup> Qtr 2011. Representatives of regional policy and regulatory agencies, banks and financial institutions and capital markets and international organizations and standard setting bodies will be invited to the symposium to consider policy and regulatory challenges faced by MSMEs (and their financiers face) in accessing finance. The outcome will be proposals aimed at enhancing regulatory approaches to promote financial flows.

Drawing on the suggestions arising from the symposium, the subsequent training course would involve policy makers and regulators from the region in considering best practice supervisory and regulatory approaches and ways to implement them.

Collaboration with the Advisory Group in constructing and in the involvement in both components of this initiative to fully reflect business and commercial practices would be particularly welcome. This would be effected through consultations between AASC/ADFIAP and the Chairman and Coordinator of the Advisory Group.

Funding for this proposal is being sought from Ausaid, the Australian Aid Bureau.

**Proposal**

The Advisory Group consider this as an integral contribution to its work on financial inclusion in 2011.

*Australian APEC Study Centre at RMIT University.*

*28<sup>th</sup> January 2011*