

THE ADVISORY GROUP ON APEC FINANCIAL SYSTEM CAPACITY-BUILDING

A Public-Private Sector Initiative

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Date: 21 April 2011
Meeting: Seoul, Korea

Second Meeting 2011

26 April 2011

14:00 – 16:00

Crystal Ballroom, Lotte Hotel
Seoul, Republic of Korea

Meeting Paper 7-B

Discussions with Japanese officials and financial regulators on funds passporting – concept and meeting agenda

Institute for International Monetary Affairs

PURPOSE	For information.
ISSUE	Discussions with Japanese officials and financial regulators on funds passporting
BACKGROUND	On 4 March 2011, the Institute for International Monetary Affairs hosted a briefing for Japanese officials, financial regulators and financial industry leaders to discuss ABAC's proposals on capital markets, particularly with respect to the opportunities they can offer Japan and Japanese financial institutions for enhancing their respective roles within the region's evolving financial architecture. The discussion included steps toward a regional funds passport scheme.
PROPOSAL	N.A.
DECISION POINT	Note the document.

IIMA BRIEFING
INTEGRATING ASIA-PACIFIC CAPITAL MARKETS
A Briefing on Proposals of the APEC Business Advisory Council (ABAC)

4 March 2011

Bank of Tokyo-Mitsubishi UFJ Nihombashi Annex. 12th Floor

Developing and integrating Asia-Pacific capital markets is crucial for the region's continued vitality. This is particularly of key importance to East Asia, where mobilizing its huge pool of savings could help accelerate infrastructure development, business expansion and inclusive growth. Much progress has been achieved through such efforts as the Asian Bond Market Initiative, the Asian Bond Fund initiative and various other projects and measures.

Much remains to be done, particularly in addressing key weaknesses, including inadequate market depth and liquidity, through acceleration of regional capital market integration. In 2010, ABAC identified and proposed a number of initiatives that can contribute to this objective. These include a new proposal to initiate steps toward a regional funds passport scheme, looking at various elements of the EU's successful Undertakings for Collective Investment in Transferable Securities (UCITS).

This briefing will provide an opportunity to discuss these proposals, particularly with respect to the opportunities they can offer Japan and Japanese financial institutions for enhancing their respective roles within the region's evolving financial architecture.

Agenda

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| 9:30 AM | Welcome and Opening Remarks
Yoshihiro Watanabe, Managing Director IIMA and 2010 Chair/2011
Lead Co-Chair, ABAC Finance and Economics Working Group |
| 9:35 | Summary of ABAC's Recommendations on Capital Markets
J.C. Parrenas, Coordinator, Advisory Group on APEC Financial
System Capacity Building |
| 9:45 | Focus on Regional Funds Passport Scheme
Catherine Simmons and Hon Cheung, State Street |
| 10:15 | Open Discussion |
| 11:25 | Closing Remarks
Yoshihiro Watanabe |
| 11:30 | End |