



The Advisory Group on APEC Financial System Capacity-Building

A Public-Private Sector Initiative

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Date: 29 May 2007
Meeting: Tokyo, Japan

Second Meeting 2007
30 May 2007, 4:00 – 6:00 pm
Sakura (B2 Floor), The Prince Park Tower
Tokyo, Japan

ANNOTATED AGENDA

*Fifth Draft
As of 29 May 2007*

ITEM 1: Welcome and Opening Remarks

- Opening remarks by the Advisory Group Chair (Dr. Jeffrey L.S. Koo)
- Welcome remarks on behalf of the host, ABAC Japan (Mr. Yasuo Kanzaki)
- Remarks by Mr. Naoyuki Shinohara, Director-General of the International Bureau, Ministry of Finance, Japan

ITEM 2: Review of the First Advisory Group Meeting in Seattle

- Introduction by the Advisory Group Chair

This is a review of the Meeting Report of the Advisory Group Meeting of 28 February 2007, Seattle, for approval.

ITEM 3: Report on APEC Public-Private Sector Forum on Bond Market Development

- Presentation by the Advisory Group Coordinator and Mr. Ken Waller
- Comments by Dr. Gordon de Brouwer, Chair, APEC Senior Finance Officials' Meeting

This is a presentation on the results and conclusions of the First APEC Public-Private Sector Forum on Bond Market Development held on 8 May 2007 in Melbourne, Australia. The Forum Report will be annexed to the proposed Advisory Group Report to the APEC Finance Ministers.

ITEM 4: Advisory Group Report on Capacity-Building Measures to Strengthen and Develop Financial Systems

- Presentation by the Advisory Group Coordinator

This is a report based on the papers and discussions from the first 2007 meeting of the Advisory Group in Seattle, containing recommendations to the APEC Finance Ministers on capacity-building measures for the strengthening and development of the region's financial systems. Upon approval of the Advisory Group, the report will be forwarded to ABAC through the ABAC Finance and Economic Working Group for endorsement to the APEC Finance Ministers.

The report is divided into four major sections: (1) the development of local currency bond markets in the Asia-Pacific region; (2) measures to strengthen and develop banking systems; (3) regional cooperation to promote financial stability; and (4) measures to strengthen the capacity of small and medium-sized enterprises (SMEs) to access formal finance.

Papers/Presentations:

2-A: Meeting Report of the Advisory Group Meeting of 28 February 2007, Seattle, USA
(Office of the Advisory Group Chair)

Papers/Presentations:

3-A: Draft Report on the APEC Public-Private Sector Forum on Bond Market Development

3-B: Program of the APEC Public-Private Sector Forum on Bond Market Development (Office of the Advisory Group Chair)

Papers/Presentations:

4-A: Draft 2007 Report on Capacity-Building Measures to Strengthen and Develop Financial Systems (Office of the Advisory Group Chair)

4-B: Presentation of the Draft 2007 Report (Office of the Advisory Group Chair)

4-C: Letter to the Advisory Group Chair (Policy Advocacy Committee, ABAC)

ITEM 5: Infrastructure for regional cooperation: public-private sector collaboration to enhance research and capacity-building activities

- Presentation by Dr. Masahiro Kawai, Dean, Asian Development Bank Institute (ADBI)
- Comments by Mr. Mark Johnson, ABAC Chair and Deputy Chairman, Macquarie Bank (TBC)
- Comments by Dr. Gordon de Brouwer, Chair, APEC Senior Finance Officials' Meeting

ADBI is currently focusing its attention to research and capacity-building in the area of "infrastructure for regional cooperation," aiming to address a number of issues in infrastructure management that present key challenges to ADB's developing members. The presentation will highlight current and future work of the ADBI in this area, and participants will discuss the prospects for public-private sector collaboration in developing effective solutions to key issues such as policy and regulatory regimes, governance and management, pricing, investment and financing.

ITEM 6: Update on ongoing capacity-building initiatives for the development of the domestic credit rating industry

- Presentation by Mr. Suresh Menon, Training Committee Chairman, Association of Credit Rating Agencies in Asia (ACRAA) and Executive Director, Rating Agency Malaysia Berhad

This presentation will focus on the capacity-building activities being undertaken to promote best practices in Asian domestic credit rating agencies, particularly by ACRAA in cooperation with the ADB. Participants are expected to discuss how and in what areas such capacity-building activities may be strengthened through public-private sector collaboration.

ITEM 7: 3rd Asia-Pacific Public-Private Regional Dialogue on "Strengthening Financial Architecture," July 11-12, Singapore

- Presentation by Mr. Kenneth Waller, Senior Advisor, ABAC Australia

This presentation will focus on the program and preparations for the 3rd dialogue between the region's financial industry and central bankers and financial regulators that will be co-organized by SEACEN, ABA, ABAC and PECC and hosted by the Monetary Authority of Singapore.

ITEM 8: Other matters

ITEM 9: Closing Remarks

- Closing remarks by the Advisory Group Chair (Dr. Jeffrey L.S. Koo)

END

Papers/Presentations:

5-A: Infrastructure and Regional Cooperation: Summary Outline for an ADBI Flagship Study (*ADB Institute*)

5-B: Activity Profile: PPP for Infrastructure Development (*ADB Institute*)

Papers/Presentations:

6-A Presentation: Update on ongoing capacity-building initiatives for the development of the domestic credit rating industry (*ACRAA*)

Papers/Presentations:

7-A: Agenda of the 3rd SEACEN/ABAC/ABA/PECC Public-Private Dialogue for the Asia-Pacific Region, Singapore, July 11-12, 2007