



ASIAN BANKERS ASSOCIATION

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Dr. Jeffrey L.S. Koo
Chair, Advisory Group on APEC Financial
System Capacity-Building
Chairman, Chinatrust Financial Holding Co., Ltd.
20F, 3 Sung Shou Road
Taipei, Taiwan

Dear Dr. Koo,

On behalf of the Asian Bankers' Association's Special Committee on Policy Advocacy, I wish to express my appreciation to the Advisory Group for incorporating in its work a number of proposals that reflect the ABA's previously expressed views and recommendations to governments in the region.

In particular, the ABA continues to advocate the following measures:

- the facilitation of in-depth discussions between public and private sectors on the development of emerging bond markets, with special attention to corporate bond markets, and along these lines, the continuation of the APEC Public-Private Sector Forum on Bond Market Development;
- the adoption by APEC and other regional fora of common principles for bond market development cooperation;
- continued dialogue between officials involved in banking policy and regulation and the private sector on the implementation of Basel II within and across jurisdictions, as well as on the improvement of risk management and governance throughout the region; and
- government and regulators' encouragement of the region-wide adoption by financial institutions operating within the region of the non-binding regional guidelines and model agreement for informal workouts developed by the ADB and the ABA, as well as measures to provide readily accessible formal insolvency procedures available to creditors on an expeditious basis.

In advocating these measures, the ABA intends to help accelerate the development and strengthening of our region's banking systems and capital markets. We are convinced that the benefits resulting from the implementation of these measures will be felt beyond the financial services industry and will have a tremendous positive impact on a wide range of enterprises, entire economies and the daily lives of people throughout the Asia-Pacific region.

On behalf of the ABA's Special Committee on Policy Advocacy, I congratulate the Advisory Group for its excellent work and assure you of our Association's continued support and collaboration in the coming months and years.

Sincerely yours,

Henry S.Y. Hwang
Chairman, Special Committee on Policy
Advocacy
Executive Vice President, Mega International
Commercial Bank