

THE ADVISORY GROUP ON APEC FINANCIAL SYSTEM CAPACITY-BUILDING

A Public-Private Sector Initiative

Document: AGFSCB 28-003
Draft: **FIRST**
Source: AGFSCB Chair
Date: 15 January 2008
Meeting: Jakarta, Indonesia

First Meeting 2008
22 January 2008
The Grand Hyatt Jakarta
Ballrooms A&B
Jakarta, Indonesia

Meeting Paper 2-A

SUMMARY OF THE WORK OF THE ADVISORY GROUP IN 2007

Office of the Advisory Group Chair

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Review of the 2007 Work of the Advisory Group

In 2007, the Advisory Group undertook the following **activities**:

- It co-organized with ABAC FEWG, in collaboration with the Australian Treasury, the First APEC Public-Private Sector Forum on Bond Market Development, which was held in Melbourne on 7-8 May.
- It produced its 2007 report, which was submitted to ABAC for endorsement and annexed to ABAC's report to the APEC Finance Ministers.
- It held 2 regular meetings. At its first meeting (February 28 in Seattle), the Advisory Group approved its 2007 work program, discussed preparations for the Melbourne Forum, and held initial discussions on topics for its 2007 report to the APEC Finance Ministers. At its second meeting (May 30 in Tokyo), the Advisory Group finalized its 2007 report and discussed infrastructure investment and the region's credit rating industry.

The Advisory Group dealt with the following **issues** during the year:

- Development of local currency bond markets (including the development of the region's domestic credit rating industry);
- Measures to strengthen and develop banking systems (including Basel II implementation, governance, financial consumer protection and cross-border insolvency and informal workouts);
- Regional cooperation to promote financial stability; and
- Strengthening SMEs' capacity to access formal finance.

In addition, the Advisory Group held initial discussions on infrastructure investment as a possible new area of work.