



# THE ADVISORY GROUP ON APEC FINANCIAL SYSTEM CAPACITY-BUILDING

A Public-Private Sector Initiative

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**Third Meeting 2008**  
5 August 2008  
Ballroom 3, Hyatt Regency Hotel  
Hangzhou, People's Republic of China

## **Meeting Paper 6-B**

### **PROPOSED WORKSHOP ON PROMOTING FINANCIAL INCLUSION THROUGH MICROFINANCE**

**Asian Development Bank Institute, Tokyo**  
**3-6 March 2009 (Tentative)**

Asian Development Bank Institute

**Workshop on Promoting Financial Inclusion through Microfinance  
Asian Development Bank Institute, Tokyo  
3-6 March 2009 (Tentative)**

**CONCEPT NOTE**

**1. TIME & VENUE:** 3-6 March 2009 (tentative), Tokyo

**2. ACTIVITY OBJECTIVES**

This four-day workshop aims to assist policy makers develop strategies in six key areas to provide an enabling policy environment for promoting financial inclusion through microfinance. These six key areas were identified at a workshop co-organized by ABAC and the Advisory Group on APEC Financial System Capacity-Building in Jakarta, Indonesia on 23 January 2008, and are as follows:

- **Agent banking:** This refers to policies and regulations governing correspondent banking agents, or agents from the non-bank sector such as retail commercial outlets including lottery kiosks, pharmacies, post offices and the like, which establish partnerships with banks to provide distribution outlets for financial services.
- **Mobile phone banking:** This involves policies that lower transaction cost and increase access to financial services through mobile technologies and services. Mobile phone banking may provide a host of features, such as cash deposits and withdrawals, third-party deposits into a user account, retail purchases, over-the-air prepaid top-ups using cash in the user's account, transfer of cash or airtime credits between user accounts and bill payments. Mobile phone banking presents challenges to regulatory capacity, as it cuts across various regulatory domains including banking, telecommunications, payments systems and anti-money laundering.
- **Diversifying providers:** This deals with policies that lower the regulatory barriers for start-ups and for offering savings and insurance products for low-income clients, such as through rural banks (Indonesia) and microinsurance mutuals (the Philippines).
- **Reforming public banks:** This relates to policies that improve the governance and management of state banks to help them provide more effective financial services, including commercially sustainable financial services.
- **Financial identity regulations:** This refers to policies that endow clients with a financial identity, by transforming their transaction history into a financial asset, which they can use to leverage access to credit and other banking services. Regulatory frameworks would need to adopt a flexible approach to supporting the generation of financial identity, facilitating information sharing in the initial stages of development and introducing

protective measures during the later stages that involve large-scale information processing.

- **Consumer protection:** This covers policies that address technical and delivery security, reducing predatory lending or increasing disclosure of information, efficient dispute settlement, data protection and enhancing comparability of offers.

Participating officials are expected to share country experiences and practices through country papers.

### 3. TARGET AUDIENCE

Senior government officials and regulators involved in microfinance in Asian developing economies (e.g., central bank officials, financial supervisory authorities, finance ministry officials), senior APEC finance officials, government officials from relevant agencies, senior executives of relevant public sector firms (e.g., development banks), key policy makers and legislators, and microfinance institutions.

### 4. TENTATIVE PROGRAM

**3 March 2009**

#### **Opening Session**

0930-0945 Welcome remarks  
0945-1000 Opening remarks  
1000-1030 Keynote speech  
1030-1045 *Coffee break*

#### **Session 1: Overview**

1045-1115 Financial inclusion: An overview of issues  
1115-1145 Microfinance: The Latin American experience  
1145-1200 Report of the workshop organized by ABAC and the Advisory Group on Financial System Capacity-Building  
1200-1230 Open forum  
1230-1345 *Lunch*

#### **Session 2: Agent banking as a tool for promoting microfinance**

1330-1400 An overview of issues  
1400-1430 Case study  
1430-1500 Country presentations (2)  
1500-1530 Open forum  
1530-1545 *Coffee break*

#### **Session 3: Mobile phone banking as a tool for promoting microfinance**

1545-1615 An overview of issues  
1615-1645 Case study  
1645-1715 Country presentations (2)  
1715-1745 Open forum  
1900-2030 Welcome Dinner

#### 4 March 2009

##### **Session 4: Increasing the diversity of microfinance service providers**

- 0930-1000 An overview of issues
- 1000-1030 Case study
- 1030-1045 *Coffee break*
- 1045-1115 Country presentations (2)
- 1115-1145 Open forum
- 1145-1300 *Lunch*
- 1300-1700 Visit to National Life Finance Corporation (NLFC)

#### 5 March 2009

##### **Session 5: Governance and management of public banks and microfinance**

- 0930-1000 An overview of issues
- 1000-1030 Case study
- 1030-1045 *Coffee break*
- 1045-1115 Country presentations (2)
- 1115-1145 Open forum
- 1145-1300 *Lunch*

##### **Session 6: Financial identity regulations and the development of microfinance**

- 1300-1330 An overview of issues
- 1330-1400 Case study
- 1400-1430 Country presentations (2)
- 1430-1500 Open forum
- 1500-1515 *Coffee break*

##### **Session 7: Consumer protection in the context of microfinance**

- 1515-1545 An overview of issues
- 1545-1615 Case study
- 1615-1645 Country presentations (2)
- 1645-1715 Open forum

#### 6 March 2009

##### **Session 8: The role of regional capacity-building and public-private partnership**

- 0930-1000 An overview of issues
- 1000-1030 Case study
- 1030-1045 *Coffee break*
- 1045-1115 Comments by public and/or private sector participants
- 1115-1145 Open forum

##### **Closing Session**

- 1145-1200 Closing remarks by ABAC
- 1200-1215 Closing remarks by ADBI
- 1215-1330 *Lunch*

