



# THE ADVISORY GROUP ON APEC FINANCIAL SYSTEM CAPACITY-BUILDING

A Public-Private Sector Initiative

Document: AGFSCB 29-003  
Draft: **FIRST**  
Source: AGFSCB Chair  
Date: 3 February 2009  
Meeting: Wellington, New Zealand

**First Meeting 2009**  
11 February 2009  
The Intercontinental Hotel  
Lambton Room  
Wellington, New Zealand

## **Meeting Paper 4-A**

# **SUMMARY OF THE WORK OF THE ADVISORY GROUP IN 2008**

Office of the Advisory Group Chair

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## **Review of the 2008 Work of the Advisory Group**

In 2008, the Advisory Group undertook the following **activities**:

- It co-organized with ABAC FEWG the Workshop on Improving the Environment for Commercially Sustainable Microfinance, which was held in Jakarta on 23 January.
- It co-organized with ABAC FEWG, in collaboration with the Peruvian Ministry of Finance and Economy, the 2<sup>nd</sup> APEC Public-Private Sector Forum on Bond Market Development, which was held in Cusco on 9 July.
- It coordinated the preparation of the program for the 4<sup>th</sup> Public-Private Dialogue on Basel II Implementation and Strengthening Banking Systems, which was held in Kuala Lumpur on 18-19 August.
- It participated in a brainstorming session on the region's response to the global financial crisis, which was organized by the ADB Institute and held in Tokyo on 27 August.
- It produced its 2008 report, which was submitted to ABAC for endorsement and annexed to ABAC's report to the APEC Finance Ministers.
- It held 3 regular meetings. At its first meeting (22 January in Jakarta), the Advisory Group approved its 2008 work program, discussed preparations for the Cusco Forum, and held initial discussions on topics for its 2008 report to the APEC Finance Ministers. At its second meeting (14 May in Moscow), the Advisory Group adopted the report of the Jakarta Microfinance Workshop and held further discussions on items for its 2008 report. At its third meeting (5 August in Hangzhou), the Advisory Group adopted the report of the Cusco bond market forum, finalized its 2008 report and discussed future work in a number of areas.
- It completed two publications: (1) Commercially Sustainable Microfinance (published in collaboration with the Alliance for Financial Inclusion and funded by the Bill and Melinda Gates Foundation) and (2) The Advisory Group's 2008 Report to APEC together with the Report of the 2<sup>nd</sup> APEC Public-Private Sector Forum on Bond Market Development (published as a special issue of the Journal of Banking and Finance). The publications have been widely disseminated to key officials, private sector leaders and experts throughout the region.

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

- Promoting an enabling legal, policy and regulatory environment for financial inclusion through microfinance.
- Development of local currency bond markets.
- Promoting public-private partnership in infrastructure development.
- Regional cooperation to promote financial stability.
- Improving the region's credit reporting systems.
- Strengthening risk management and governance in banking systems.

In addition, the Advisory Group agreed to continue monitoring the ongoing discussions on the post-2012 global climate change response mechanism, with a view to future collaboration with the financial industry to help develop ideas on how APEC can contribute to capacity-building.