

AGENDA

OECD-ADB Institute Roundtable on Capital Market and Financial Reform in Asia

2-3 March 2017, Tokyo, Japan

Sponsored by the Government of Japan

DAY ONE: 2 March 2017 (Thursday)	
09:00 – 09:30	Registration of participants
09:30 – 09:50	Opening Remarks <ul style="list-style-type: none"> • Mr. Rintaro Tamaki, Deputy Secretary-General, OECD • Mr. Naoyuki Yoshino, Dean, ADBI
09:50 – 10:20	KEYNOTE ADDRESS: <ul style="list-style-type: none"> • Mr. Masatsugu Asakawa, Vice Minister of Finance for International Affairs, Japan
10:20 – 10:30	Coffee break
	<p>SESSION 1: Capital Flows in Asia: Identified Trends and Challenges in an Uncertain World with Slowing Trade and Lagging Economic Growth</p> <p><i>In the past few decades, many Asian economies have experienced solid economic development and served as engines for global growth, thanks to favourable trade and financial environments. The coming years, however, may witness a turning of the tide. Although still relatively strong, economic growth is slowing in most Asian economies. External trade, which helped fuel growth, is shrinking and international reserves have stopped increasing or even started to decrease. In turn, many advanced economies are struggling with weak growth under ultra-low interest rates, and are facing significant political uncertainties, which may promote financial flows to the Asian economies, but also may build up their risks.</i></p> <p><i>This session will discuss:</i></p> <ol style="list-style-type: none"> 1. <i>What are the recent trends and prospects for capital flows of the Asian economies?</i> 2. <i>What are the major factors which may have a significant impact on capital flows in the region?</i> 3. <i>What are the major vulnerabilities of the Asian economies and financial markets against external shocks and how should they be addressed?</i>
10:30– 12:00	<p>Moderator: Mr. Bokhwan Yu, Deputy Dean, ADBI</p> <p>Speakers:</p> <ul style="list-style-type: none"> • Mr. Ranil Salgado, Assistant Director, Regional Studies Division, APD, IMF <i>Global Economic Outlook and Implications for Capital Flows to Asia</i> • Mr. Ilhyock Shim, Principal Economist Representative Office for Asia and the Pacific, BIS <i>Asset Managers in EMEs: Implications for Capital Flows</i> • Mr. Hirotaka Hideshima, Deputy Director-General, Financial Markets Department, BOJ <i>Recent Capital Flows in Asia: Comparison with “Taper Tantrum 2013”</i> • Mr. Fan Zhai, Former Head of Asset Allocation, China Investment Corporation and Visiting Fellow, China Finance 40 Forum <i>Capital Flows in China: Some Recent Developments</i> • Mr. Ephyro Luis Amatong, Commissioner, Securities and Exchange Commission, Philippines <i>Boosting Resilience Amid Uncertainty: Flows and The Role of Domestic Markets</i>

12:00– 13:00	<p>Lead discussant: Mr. Stephen Lumpkin, Senior Economist, Financial Affairs Division, OECD</p> <p>Open Discussion</p>
13:00 – 14:00	LUNCH
14:00 – 14:30	<p>KEYNOTE ADDRESS:</p> <ul style="list-style-type: none"> • Mr. Naoyuki Yoshino, Dean, ADBI
	<p>SESSION 2: Capital Market Developments in Asia</p> <p><i>Although developing capital markets to enhance financial resilience is a long-lasting theme of discussion for Asian economies, where banks still dominate the financial sector, the equity and bond markets in some Asian economies have grown considerably over the past few decades. Yet, the degree of development of capital market varies significantly in the region. The number of companies listed on the recently established stock exchanges and special markets for small and medium-sized companies remains limited. Smaller growth companies continue to face difficulty in tapping capital markets for external finance even in the more developed economies. Moreover, high levels of corporate debt in some Asian economies are becoming an investors' concern, highlighting the important roles that equity capital and its market play for economic growth. [The OECD has just started a research based on granular transaction data to identify the trends in equity markets in Asia.]</i></p> <p><i>This session will discuss:</i></p> <ol style="list-style-type: none"> 1. <i>What are the prospects and major challenges for capital markets in Asian economies?</i> 2. <i>What are the current trends regarding initial public offerings (IPO) and secondary public offerings (SPO) in Asian markets? Are there any differences across industries and countries?</i> 3. <i>What would be the best policy measures to promote sound development of equity and bond markets in Asia?</i>
14:30– 16:00	<p>Moderator: Mr. Grant Spencer, Deputy Governor and Head of Financial Stability, Reserve Bank of New Zealand, and Chair of the Committee on Financial Markets, OECD</p> <p>Speakers:</p> <ul style="list-style-type: none"> • Mr. Serdar Celik, Senior Economist, Corporate Affairs Division, OECD <i>Asian Equity Markets Review: Interim Report and Methodology for Discussion</i> • Mr. Jun Mizuguchi, Deputy Commissioner for International Affairs, FSA, Japan <i>Transforming the Flow of Funds in the Japanese Financial Markets</i> • Ms. Naoko Nemoto, Financial Economist, ADBI <i>Bond Market Development in Emerging Asia</i> • Mr. Thuong Quang Nguyen, Deputy Director General of Market Development Department, State Securities Commission of Viet Nam (Former GLOPAC Visiting Fellow) <i>Development of Derivatives Market in Viet Nam</i> • Mr. Susanta Kumar Das, Deputy General Manager, Market Regulation Department, SEBI (GLOPAC Visiting Fellow) <i>Trends of Flow of Funds in the Indian Capital Market</i>
16:00– 16:30	Coffee break
16:30– 17:30	<p>Lead discussant: Ms. Yoko Ogimoto, Senior Consultant, Nomura Research Institute</p> <p>Open Discussion</p>
17:30– 17:45	Wrap-up of the Day
18:00 – 20:00	<p>Reception dinner hosted by ADBI and OECD</p> <p><i>Venue: Kazan Kaikan Restaurant, “Shosetsu + Kobai” Room Common Gate Building 37F (Next building to ADBI, Kasumigaseki Bldg)</i></p>

DAY TWO: 3 March 2017 (Friday)

	<p>SESSION 3: FinTech Developments and Regulatory Responses</p> <p><i>The recent evolution of new technology and its application to financial business can have disruptive effects in the financial industry. Although the level and pace are as yet unclear, FinTech activities are expected to increase the efficiency of financial transactions and thus lower operating costs dramatically, which may lead to a change in the business model of traditional financial institutions. This may, in turn, benefit customers with better quality and accessibility of financial services. Financial regulators/policymakers are giving attention to FinTech developments, exploring a balance between competition and regulation (e.g. consumer protection). Some jurisdictions have introduced the “regulatory sandbox” to test the new technologies and identify regulatory issues.</i></p> <p><i>This session will discuss:</i></p> <ol style="list-style-type: none"> <i>1. What are the current and potential impacts that FinTech has on the financial industry in Asia? How, how much and how fast may FinTech change its landscape?</i> <i>2. How can regulators/policymakers respond to rapidly evolving FinTech? What are the advantages and challenges of the “regulatory sandbox” approach?</i> <i>3. How can FinTech promote financial inclusion in the region? And what are the implications and challenges for financial consumers?</i>
<p>09:30 – 11:00</p>	<p>Moderator: Mr. Masato Miyazaki, Deputy Vice Minister for International Affairs, MoF, Japan</p> <p>Speakers:</p> <ul style="list-style-type: none"> Mr. Erik Vermeulen, Professor, Tilburg University <i>What is the Best Regulatory Response to FinTech?</i> Mr. Junichi Kanda, Director, Credit System Office, Planning and Coordination Bureau, FSA, Japan <i>Japan FSA’s Initiative to Create a Pro-FinTech Environment</i> Mr. Roy Teo, Director, FinTech & Innovation Group, MAS <i>Globalising FinTech: Smart Financial Centre</i> Ms. Flore-Anne Messy, Head of Financial Affairs Division, OECD <i>Maximising FinTech potential : Fostering Financial Innovation while Safeguarding Financial Stability and Consumer Protection</i> Ms. Bihong Huang, Research Fellow, ADBI <i>Promoting and Regulating FinTech in Asia: Case of Peer to Peer Lending</i>
<p>11:00 – 11:30</p>	<p>Coffee break</p>
<p>11:30 – 12:30</p>	<p>Lead discussant: Mr. Takahiro Yasui, Head of Special Projects and Outreach Unit, OECD</p> <p>Open Discussion</p>
<p>12:30 – 13:30</p>	<p>LUNCH</p>
<p>13:30 – 14:00</p>	<p>SPECIAL PRESENTATION:</p> <p><i>Task Force on Climate-related Financial Disclosures: Overview of Report and Implementation Guidance</i></p> <ul style="list-style-type: none"> Mr. Masaaki Nagamura, Member of TCFD, and Head, Corporate Social Responsibility, Tokio Marine Holdings

	<p>SESSION 4: Financing of Green Infrastructure Investment</p> <p><i>The Paris Agreement at COP21, which entered into force on 4 November, requires all countries to take efforts to combat climate change. Asian countries in particular face significant challenges in their transition to a clean, low carbon economy. These will entail significant investments in low-carbon emission and climate-resilient infrastructure and facilities. Given the constraints on public budgets, private capital needs to be mobilised to finance the huge investment needs. Today large-scale infrastructure projects are usually undertaken in the form of PPPs or the like. Besides traditional project finance providers such as banks and utility firms, increasing attention is drawn to the role of institutional investors and capital markets. Although still very limited, large pension funds have started to invest in infrastructure domestically and internationally. Green infrastructure financing may fit well in the long-term investment horizon of institutional investors, but is often not “bankable” with poor risk/return profiles. Various financial and policy measures and techniques are available to improve the viability of green infrastructure projects.</i></p> <p><i>This session will discuss:</i></p> <ol style="list-style-type: none"> <i>1. How can private capital be mobilised to finance a significant financial need for green infrastructure investment, including large green power plants? What is the role of multinational/national development banks and institutions in this respect?</i> <i>2. What are the recent trends and prospects for green infrastructure investment by institutional investors?</i> <i>3. What kinds of financial and policy measures may be utilised to make green infrastructure projects bankable?</i>
14:00 – 15:30	<p>Moderator: Mr. Rintaro Tamaki, Deputy Secretary-General, OECD</p> <p>Speakers:</p> <ul style="list-style-type: none"> • Mr. Naoyuki Yoshino, Dean, ADBI <i>Green Energy Development: Role of Financing</i> • Mr. Raffaele Della Croce, Lead Manager, Long-term Investment Project, OECD <i>Growth, Investment and the Low-Carbon Transition : OECD Contributions, G20 and APEC</i> • Mr. Yasuhisa Nakao, Deputy Vice Minister for International Affairs, MoF, Japan <i>Japan's Actions to Promote Green Finance</i> • Mr. Luky Alfirman, President Commissioner, Indonesia Infrastructure Guarantee Fund and MoF Indonesia <i>Guarantee Fund for Green Infrastructure Development - A Case of Indonesia: Prospects, Opportunities and Challenges</i> • Mr. Syed Ahmad Syed Mustafa, Chief Executive Officer, GreenTech Catalyst Sdn Bhd <i>Derisking Green Investments – Malaysia Perspective</i>
15:30 – 16:00	Coffee break
16:00 – 17:00	<p>Lead discussant: Mr. Peter Morgan, Senior Consultant for Research, ADBI</p> <p>Open Discussion</p>
17:00 – 17:15	<p>Conclusions and Closing Remarks</p> <ul style="list-style-type: none"> • Mr. Rintaro Tamaki, Deputy Secretary-General, OECD • Mr. Naoyuki Yoshino, Dean, ADBI

Master of ceremonies: Mr. Wawan Juswanto(ADB), Ms. Miyuki Izumiya (OECD)