

Opening Remarks at the Asian Financial Partnership Center

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It is my great pleasure to welcome you as Visiting Fellows at the Asian Financial Partnership Center, “AFPAC” today. You are the first group of regulators and supervisors from Asia to join us since the start of AFPAC in April this year, and therefore, today is the effective inauguration day for AFPAC’s activities.

In welcoming you, I would first like to briefly explain to you the background for establishing the AFPAC at the Financial Services Agency of Japan (“JFSA”), i.e. what we aim to achieve, and what we hope you will be able to gain from your stay with us.

We created the AFPAC this April with a view to building a “knowledge hub” for supporting the development of financial markets in Asia through closer cooperation amongst regulatory and supervisory authorities in the region. Closer cooperation with Asian colleagues is very much a part of Prime Minister Abe’s Growth Strategy in supporting the development of sound and efficient financial markets in Asia, which in turn should enable our economies to grow together and meet the challenges of the global economy. We firmly believe that supporting the development of financial markets in Asia is crucial for the growth and reactivation of our own financial markets. Only sound and efficient financial systems can provide the necessary funds for sustainable growth and development in Asia, particularly in fulfilling its needs for long-term investment in infrastructure. Maintaining the integrity and stability of the financial systems in Asia through better regulation and supervision is crucial in achieving this goal.

As I just described, the primary objective of AFPAC is to strengthen ties between the authorities in Asia, and thereby to facilitate the development of Asian financial markets. It is our hope that the activities of AFPAC will, in the years to come, contribute to capacity building of Asian financial regulators and supervisors. This is to say, that you are the main actors in this collective endeavor, and we are here to help you in any way we can.

Additionally, it is our hope that the activities of AFPAC will enable us to develop and express a stronger “Asian voice” at international discussions on regulatory and supervisory matters.

During your four-month stay as Visiting Fellows of AFPAC, we would like to provide as many opportunities as possible for you to acquire knowledge about our experiences in developing the financial system, and in dealing with financial crises. We would like to explain our know-how in regulation and supervision, and the key challenges we are facing in the current environment. We would like you to learn from both our successes and mistakes, as we have also learned a lot from our past, particularly in dealing with financial crises.

As part of the program, we will ask you to take part in the day-to-day work of the JFSA, and interact with as many staff members as possible. We will organize visits to various institutions and organizations, including the Bank of Japan, the stock exchanges, the self-regulatory organizations, and private sector financial institutions.

Since this program is a two-way endeavor, we will also invite you to actively share your thoughts and views about any issues of common interest to us in financial regulation and supervision. Any recommendations that you may have for policy-making and for regulatory and supervisory reform would be most welcome. We will appreciate any of your critical views on our day-to-day activities, and on management and governance at

the JFSA.

Through such activities, we hope you will be able to acquire the knowledge and develop the skills you will find useful for your work upon your return home. We also strongly hope that the close working relationships you will have developed during your stay will be your assets for life. Our network will be the basis for fostering closer cooperation and better communication among regulators and supervisors in the region, going forward. That is to say, our long-lasting friendship will be the most important takeaway from this program for all of us.

Finally, since the AFPAC is an entirely new project at the JFSA, there will bound to be imperfections or room for improvement. Please do not hesitate to register any problems, or make suggestions for improvement. Your feedback is essential in making this program more worthwhile both for you and for future Visiting Fellows.

Thank you very much for your kind attention, and let's get down to work. I wish you all a nice and fruitful stay in Japan, and the best of health and good luck.