



**International Conference**  
**The Role of the Financial Sector**  
**in Promoting Economic Growth in Asia**

Jointly organized by Japan's Financial Services Agency (FSA Institute),  
Asian Development Bank Institute (ADBI) and Keio University (GCOE)

**Tokyo, Japan**  
**February 3, 2011**

**Concept**

Asia was hit by the financial crisis of 1997. The Asian financial system was pointed out as having such problems as cronyism, a lack of transparency, and unfair pricing of financial transactions. However, the recent sub-prime loan crisis did not hit the Asian financial system directly. The economic downturn in Asia directly after the sub-prime loan crisis was caused by a sudden drop of exports to the United States and Europe. The financial system in the Asian region was relatively stable compared to the United States and Europe, but it does not mean that the Asian financial system and Asian financial institutions are functioning well. There is plenty of room for improvement in financial supervision, financial regulation and the financial system. It would also be necessary to review what role the financial sector should play to secure continuous growth in the Asian region and how best financial supervision and regulation could enhance such a role.

The Conference will discuss (1) the development of the financial market in the Asian region, its regulation and supervision, (2) country report: current state of the financial market and banking industries, and their regulation and supervision, (3) what the growth strategy for the development of the financial market and financial institutions in Asia should be.

## **Agenda**

**9:30-10:00 Registration**

**10:00-10:15 Welcoming Remarks**

Shozo Azuma, Senior Vice Minister of Cabinet Office for Financial Services  
Masahiro Kawai, Dean and CEO, ADBI

**10:15-11:30 Session I: The Development of the Asian Financial and Capital Markets and Its Implications for Financial Regulations**

- What is the present situation of the financial sector and the regulatory framework in the Asian region?
- Has any progress been made in financial activities in the Asian region?
- In what way did the recent financial crisis impact on your financial system?
- Have any changes been made in the regulation and supervision of financial institutions and the financial market after the sub-prime loan crisis?

Chair: Naoyuki Yoshino, Director of the FSA Institute and Professor of the Economics, Keio University

Presenter: Masamichi Kono, Vice Commissioner for International Affairs, Financial Services Agency (FSA), Japan

Discussants: Hunsuk Rhee, Deputy Director General, International Cooperation, Financial Services Commission, Republic of Korea  
Shogo Ishii, Director, Regional Office for Asia and the Pacific, International Monetary Fund  
Pietro Ginefra, Chief Representative for Japan, Korea and South East Asia, Bank of Italy

**11:30-12:45 Lunch Break**

**12:45-15:15 Session II: The Current State of the Financial Sector and the Regulatory Framework in Asian Economies**

Case Study: Cases of China, India, Thailand and Philippines

- How has the current financial crisis affected your financial system?
- Have any changes arisen in financial flow since the crisis?
- Have your SMEs (small and medium-sized enterprises) been affected by the recent financial crisis?
- Have any changes been made to financial regulation and supervision in your country?
- Implication of Basel III

Chair: Mario B. Lamberte, Director of Research, ADBI

Presenters: Luo Ping, Director General of Training Department, China Banking Regulatory Commission

Abhijit Sen Gupta, Associate Professor, Jawaharlal Nehru University, India

Bandid Nijathaworn, Former Deputy Governor, Bank of Thailand

Diwa C. Guinigundo, Deputy Governor, Central Bank of the Philippines

Discussants: Kee Kuan Foong, Senior Research Fellow, Malaysian Institute of Economic Research

Benel P. Laguna, President and COO, Small Business Corporation, Philippines

Vo Tri Thanh, Vice President, Central Institute for Economic Management, Vietnam

Shin-ichi Fukuda, Professor, University of Tokyo

**15:15-15:45 Coffee Break**

**15:45-17:00 Session III: Challenges for the Asian Financial and Capital Markets and the “Growth Strategy”**

- How could the financial sector contribute to your economic growth?
- What would be needed for the financial sector to promote economic growth?
- What would be the role of regulators and supervisors in promoting economic growth in each country and in the Asian region?

Chair: Peter Morgan, Senior Consultant for Research, ADBI

Presenters: Shigesuke Kashiwagi, Senior Managing Director, Government Affairs and Risk Advisory Group, Nomura Holdings, Inc.

Chikahisa Sumi, Deputy Commissioner for International Affairs and International Competitiveness, FSA

Discussants: Belinda Gibson, Deputy Chairman, Australian Securities and Investments Commission

Jiro Seguchi, President and Representative Director, Merrill Lynch Japan Securities Co., Ltd., Country Executive for Japan, Co-Head of Asia Pacific Corporate and Investment Banking, Bank of America Group

**17:00-18:00 Session IV: Panel Discussion**

Based on the 1st to 3rd session, discussion on policy recommendations for the Asian region will be made.

Chair: Naoyuki Yoshino, Director of the FSA Institute and Professor of the Economics, Keio University

Panelists: Masahiro Kawai, Dean and CEO, ADBI

Hunsuk Rhee, Deputy Director General, International Cooperation, Financial Services Commission, Republic of Korea

Luo Ping, Director General of Training Department, China Banking Regulatory Commission

Bandid Nijathaworn, Former Deputy Governor, Bank of Thailand

Chikahisa Sumi, Deputy Commissioner for International Affairs and International Competitiveness, FSA

**18:00-18:10 Closing Remarks**

Chikahisa Sumi, Deputy Commissioner for International Affairs and International Competitiveness, FSA

**Financial Research Center (FSA Institute)**

The Financial Research Center\* (alternatively called “the FSA Institute”) was launched in July 2001 for the purpose of effectively coordinating research in the Financial Services Agency (FSA) with training of FSA personnel. Since then the FSA Institute has been primarily engaged in the following activities: (1) Conduct research studies forming the theoretical basis of financial regulation/supervision; (2) Serve as a bridge between financial regulation/supervision and the academic world, and hold study meetings, international conferences and other such events aimed at enhancing networks based on mutual exchange among related government departments/agencies, experts in the private sector and academics; and (3) Conduct training courses targeted at FSA personnel.

\* As part of efforts to enhance the FSA Institute’s research functions, the Financial Research and Training Center (commonly known as “FRTC”) was renamed the Financial Research Center (alternatively called “the FSA Institute”) in September 2010.

**Keio University (Global COE Project, Market Quality Project)**

The COE founded Market Quality Theory, which is centered on the postulate that high quality markets are essential for the development and growth of the modern economy. The Keio University Graduate School of Economics and the Keio University Graduate School of Business and Commerce together with Kyoto University Institute of Economic Research, the COE compiled household behavior panel data, conducted comprehensive educational research combining theory with empirical evidence, and has received high interim acclaim. Professor Naoyuki Yoshino of Keio University (Director, FSA Institute) is the project leader.

**Asian Development Bank Institute**

The Asian Development Bank Institute (ADBI), located in Tokyo, is a subsidiary of the Asian Development Bank (ADB). It was established in December 1997 to respond to two needs of developing member countries: identification of effective development strategies and improvement of the capacity for sound development management of agencies and organizations in developing member countries. As a provider of knowledge for development and a training center, the Institute serves a region stretching from the Central Asian republics to the Pacific islands.