



# **INTERNATIONAL CONFERENCE FINANCIAL SYSTEM STABILITY, REGULATION AND FINANCIAL INCLUSION**

**Jointly Organized by the Financial Services Agency, Japan,  
the Asian Development Bank Institute and the International Monetary Fund**

**January 27, 2014, 10:00 a.m.-6:00 p.m.**

**Auditorium, Third Floor, Central Common Government Offices, No.7, East Wing**

## **Concept**

In light of the current global financial situation, key challenges for financial authorities are to maintain financial stability, manage sovereign risk, ensure long-term finance for economic growth, and also to foster a competitive financial industry. Striking the appropriate balance in achieving these objectives through financial regulation is an important policy issue for financial regulators.

A particular feature of Asian economies is that SMEs comprise an important part of economies, and that they have strong needs for funds. However, SMEs have difficulty in raising money compared to large firms. Lack of financial data of SMEs makes banks reluctant to lend to SMEs. It is extremely important to decrease the information asymmetry and enable SMEs to have access to stable, long-term finance. Credit Risk Database in Japan is a facility which evaluates credit conditions of SMEs, and development of such a data base is one solution for Asian countries. Policy measures to ensure smooth financing of SMEs are critical for Asia's strong economic growth.

Credit guarantee system for SMEs is under consideration in many Asian countries. While it is important to ensure smooth financing of SMEs, providing too much guarantees for SMEs by the credit guarantee system will create moral hazard problem. Appropriate risk sharing between banks and credit guarantee corporations must be established.

Access to finance has two aspects. One is financing not only for ordinary businesses but also small businesses, and financing for housing purchases and others by individuals. The second aspect is to provide financial services for their financial investment and asset management. The Asian region lacks both aspects. Postal savings and/or agricultural banks can play an important role in financial inclusion.

Financial education for SMEs and individuals is lacking in many developing countries. What kind of programs for financial education is available to enhance and the way forward will be discussed in session 3.

## Agenda

**9:30-10:00 a.m. Registration**

**10:00 a.m. Welcoming Remarks**  
**Hiroshi Okada**, Senior Vice-Minister of Cabinet Office for Financial Services

**10:10-11:30 a.m. Session 1 – Financial System Stability and Competition in the Financial Industry**

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**Session Chair** **Odd Per Brekk**, Director, Regional Office for Asia and the Pacific, International Monetary Fund (IMF)

**Speakers** **Ratna Sahay**, Deputy Director, Monetary and Capital Markets Department, IMF  
**Akira Ariyoshi**, Professor, School of International and Public Policy, Hitotsubashi University

**Commentators** **Tokio Morita**, Deputy Commissioner for International Affairs, Financial Services Agency, Japan (JFSA)

**Akihiko Kagawa**, Managing Director, Mitsubishi UFJ Financial Group, Inc.  
**Jae Ha Park**, Deputy Dean, Asian Development Bank Institute (ADBI)

*Open floor discussion*

**11:30 a.m.-1:00 p.m. Lunch Break**

**1:00 p.m. Keynote Speech**  
**“Current Situation, Challenges and Future of Regional Finance in Japan”**  
**Hisashi Ono**, Deputy Director-General, Supervisory Bureau, JFSA

**1:20-2:45 p.m. Session 2 – Finance to SMEs through Banks, Capital Markets and Other Financial Methods**

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<b><u>Session Chair</u></b>	<b>Suhaedi</b> , Executive Director, Bank Indonesia Regional Office for Eastern Indonesia
<b><u>Speakers</u></b>	<b>Ganeshan Wignaraja</b> , Director of Research, ADBI <b>Jongsoon Shin</b> , Economist, IMF
<b><u>Commentators</u></b>	<b>Wako Watanabe</b> , Professor, Faculty of Business and Commerce, Keio University <b>Yoshiaki Ogura</b> , Associate Professor, School of Political Science and Economics, Waseda University <b>Salinee Wangtal</b> , Assistant Governor, Supervision Group, Bank of Thailand <b>Hisashi Ono</b> , Deputy Director-General, Supervisory Bureau, JFSA
	<i>Open floor discussion</i>
<b>2:45-3:15 p.m.</b>	<b>Coffee Break</b>
<b>3:15-4:30 p.m.</b>	<b>Session 3 – Financial Inclusion and Financial Education</b>
	Access to finance has two aspects. One is financing not only for ordinary businesses but also small businesses, and financing for housing purchases and others by individuals. The second aspect is to provide financial services for their financial investment and asset management. The Asian region lacks both aspects. Postal savings and/or agricultural banks can play an important role in financial inclusion.
	Financial education for SMEs and individuals is lacking in many developing countries. What kind of programs for financial education is available to enhance and the way forward will be discussed in session 3.
<b><u>Session Chair</u></b>	<b>Tarisa Watanagase</b> , Former Governor, Bank of Thailand
<b><u>Speakers</u></b>	<b>Naoyuki Yoshino</b> , Director, Financial Research Center (FSA Institute), and Professor of Economics, Keio University <b>Tomoyuki Furusawa</b> , Director, Policy and Legal Division, Planning and Coordination Bureau, JFSA <b>Peter Morgan</b> , Senior Consultant for Research, ADBI
<b><u>Commentators</u></b>	<b>Ranee Jayamaha</b> , Chairperson, Hatton National Bank Plc. (Former Deputy Governor of the Central Bank of Sri Lanka) <b>Pungky P. Wibowo</b> , Director, Financial Access and SME Development Department, Bank Indonesia <b>Julius Caesar Parrenas</b> , Advisor on International Affairs, Bank of Tokyo-Mitsubishi UFJ, Ltd.
	<i>Open floor discussion</i>
<b>4:35-5:50 p.m.</b>	<b>Session 4 – Panel Discussion: Finance to Ensure Asia’s Economic Growth</b>
<b><u>Session Chair</u></b>	<b>Masahiro Kawai</b> , Dean & CEO, ADBI
<b><u>Speaker</u></b>	<b>“Unlocking the Micro, Small and Medium Enterprises’ Potential”</b> <b>Muliaman D. Hadad</b> , Chairman, Financial Services Authority Indonesia
<b><u>Panelists</u></b>	<b>Mikio Kajikawa</b> , Senior Deputy Director-General, International Bureau, Ministry of Finance, Japan <b>Tarisa Watanagase</b> , Former Governor, Bank of Thailand <b>Ranee Jayamaha</b> , Chairperson, Hatton National Bank Plc. (Former Deputy Governor of the Central Bank of Sri Lanka) <b>Hisashi Ono</b> , Deputy Director-General, Supervisory Bureau, JFSA <b>Ratna Sahay</b> , Deputy Director, Monetary and Capital Markets Department, IMF
<b>5:50-6:00 p.m.</b>	<b>Closing Remarks</b> <b>Masahiro Kawai</b> , Dean & CEO, ADBI