

**OECD-ADBI 7th Round Table on Capital Market Reform in Asia
27-28 October 2005, ADB Institute, Tokyo**

AGENDA

THURSDAY, 27 October 2005

9:00 – 9:30 **Participants' registration**

9:30 – 9:45 **Opening Remarks**

ADBI: Mr. Peter McCawley, Dean, Asian Development Bank Institute

OECD: Mrs. Carolyn Ervin, Director, Directorate for Financial and Enterprise Affairs, OECD

Mr. Andrew Sheng, Chairman of the Round Table

9:45 – 12.30 **SESSION 1: Financial Policy Landscape**

Structure follows Strategy: What is the “optimum” financial structure and how should a policy maker structure the regulatory framework to suit national financial policy objectives? Since lines between different financial service providers are becoming more blurred and “borderless”, the traditional regulatory structure of regulation along product lines – banking, insurance, securities and retirement funds – has been called into question. Greater internalization of financial services in large integrated service providers may also bring about a higher potential for conflicts of interest. How should policy makers think about the overall financial sector policy and structure, sequence any desired reforms and achieve higher efficiency, greater financial stability and protection of savings and investments. Based on the report of the OECD and others, Asian securities market regulators could address the policy implications of those market developments.

Presentations:

Mr. Stephen Lumpkin, Principal Administrator, Financial Markets and Policies, OECD

Mr. Andrew Sheng, Former Chairman, Hong Kong Securities and Futures Commission

Mr. Naohiko Matsuo, General Counsel and Director for Investment Services Law, Financial Services Agency of Japan

Dr. Stephen Grenville, Lowy Institute for International Policy, Australia

[11:05 - 11.25 **coffee break]**

Discussants:

Mr. Pratip Kar, Executive Director, Securities and Exchange Board of India
Professor Takatoshi Ito, Faculty of Economics, University of Tokyo

12:30 – 14:00 **LUNCH (hosted by ADBI)**

14:00 – 17:00 **SESSION 2: Integration of Capital Markets in the Asian Region**

Under WTO rules, greater intra-regional trade and high rate of financial savings in Asia, financial markets in Asia are beginning to integrate at a faster pace. The Asian Bond Market Initiative is expected to promote development of local and regional capital markets and facilitate utilization of regional savings for regional investments. The recent initiatives to introduce Asian Bond Funds (ABF1 and ABF2) have been warmly received in the region. At the same time, bilateral arrangements are beginning to be made to allow the greater convergence of regulatory standards in the Asian region to facilitate cross-border trading or listing of financial products. How could Asian financial regulators and policy-makers help to facilitate faster integration within the Region?

Presentations:

Professor Masahiro Kawai, Head, Office for Regional Economic Integration, and Special Advisor to the President, ADB, Philippines

Mr. Thirachai Phuvanatanarubala, Secretary-General, Securities and Exchange Commission, Thailand

Professor Gordon de Brouwer, Director, Department of the Treasury, Australia

Professor Ghon Rhee, K.J. Luke Distinguished Professor of Finance, University of Hawaii

[15:20 – 15:40 **coffee break]**

Discussants:

Mr. Shigeki Kimura, Director, Research Division, International Bureau, Ministry of Finance, Japan

Mr. Asela Fernando, Member of the Securities & Exchange Commission of Sri Lanka, and President of the Institute of Chartered Accountants of Sri Lanka

Dr. Ruben Lee, Managing Director, Oxford Finance Group, United Kingdom

17:30 **Departure for dinner reception (journey approximately 20 minutes by bus)**

18:00 - 20:00 **Dinner reception at Mita House, hosted by OECD**

FRIDAY, 28 October 2005

9:00 – 10:50 SESSION 3: Investor Education

In the financial markets an increasing amount of risk is transferred implicitly or explicitly to the household sector. This is particularly true in the context of pension reform where corporate pension plans are generally shifting from defined benefit to defined contribution. At the same time it is important to foster better knowledge among individual investors in order to attain more efficient securities markets. The OECD has conducted a comprehensive international study on financial education. Asian securities market regulators could discuss the implications for policy of this study.

Presentations:

Ms. Barbara Smith, Principal Analyst (Financial Education), OECD

Ms. Christina Tan, Deputy Director and Head of Consumer Issues Division, Monetary Authority of Singapore

Mr. Toshitsugu Shimizu, Executive Officer, Tokyo Stock Exchange

Discussants:

Professor Berna Collier, Commissioner, Australian Securities and Investments Commission

Dr. Darmin Nasution, Chairman, Indonesia Capital Market Supervisory Agency

Dr. Azizul Islam, Chairman, Securities & Exchange Commission, Bangladesh

10:50 - 11.10 coffee break

11:10 – 13:00 SESSION 4: Developments in Venture Capital and Private Equity since the end of “Tech Bubble”

The ability to provide financing to high growth SMEs is regarded as important to enhance the resilience of the economy. In the late 90's efforts were made among OECD countries to develop specialized exchanges to assist SMEs in attaining public listing. Since then the markets have experienced the bursting of the bubble and the “growth exchanges” do not seem to have had satisfactory results. It would be a good time to reassess prospects for financing high growth SMEs through markets. Discussion will cover applicability of OECD experience to emerging markets where family-owned companies are dominant in general.

Presentations:

Mr. John Thompson, Financial Counsellor, OECD

Mr. Hanson Cheah, Managing Partner, AsiaTech Ventures Limited, Hong Kong

Mr. Chang Sun, Managing Director, Warburg Pincus Asia LLC, Hong Kong

Professor Dosoung Choi, President, Korea Securities Research Institute

Discussants:

Mr. Toshitsugu Shimizu, Executive Officer, Tokyo Stock Exchange

Mr. Michael Buxton, Co CEO, Ernst & Young, Tokyo

13:00 – 14:00 **LUNCH (hosted by OECD)**

14:00 – 15:50 **SESSION 5: Governance Issues Related to Securities Markets**

There is controversy about what is the most effective way of governing market infrastructure institutions. The widespread focus on corporate governance in general has also raised questions concerning the governance of market infrastructure institutions. Consolidation amongst market infrastructures, and their perceived growing market power, has led to controversy about whether there should be greater legislative or regulatory intervention in their governance. There is mounting concern about the presence of conflicts of interests at market infrastructure institutions, and about whether governance mechanisms should be put in place to minimize or manage the occurrence of such conflicts.

Presentations:

Dr. Ruben Lee, Managing Director, Oxford Finance Group, United Kingdom

Mr. Noritaka Akamatsu, Lead Financial Economist, Financial Sector Operations & Policy Department, The World Bank

Discussants:

Ms. Fe Barin, Chairperson, Securities and Exchange Commission of the Philippines

Mr. Toru Shikibu, Deputy Commissioner for International Affairs, Financial Services Agency of Japan

Dr. Zaha Rina Zahari, Chief Executive Officer, RHB Securities, Malaysia

Mr. John Thompson, Financial Counsellor, OECD

15:50 – 16:00 **Closing Remarks**