

**5th Forum on Asian
Insolvency Reform 2006**

Beijing, 27/28th April

The logo for ABAC (Asian Business Association of China) features the acronym 'ABAC' in a serif font, with a thin, curved line arching over the letters.

The logo for ADB (Asian Development Bank) consists of the letters 'ADB' in a bold, white, sans-serif font, centered within a solid black square.

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ADB – ABAC Collaboration

*An APEC Business Advisory
Council (ABAC) Perspective –
Processes of Promoting Reform*

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Agenda

- 1. ABAC – advisory role and objectives**
- 2. Finance Working Group – Focus**
- 3. Role in promoting reforms**
- 4. Legal base and the economy**
- 5. Promoting insolvency law**
- 6. ABAC's commitment**



1. ABAC - advisory role and objectives

- **Business views on APEC's agenda**
 - to Leaders and Ministers
 - on measures to achieve Bogor goals
 - liberalisation; sustainable growth, security/
 - and on Busan Road map
 - business facilitation
 - intensify capacity building

2. Finance Working Group – Focus

- **Strengthening and deepening of financial systems**
- **Promoting reforms and openness**
- **Public private partnerships to promote capacity building**

3. Role in Promoting Reforms

- **Responsive to APEC's agenda – high level advice to Leaders/Ministers – private dialogue/reports**
- **Mobilising private sector involvement in capacity building**
- **Co-operating with businesses and related associations, importantly the Asian Bankers Association and PECC**
 - and with international/regional organisations**
 - the ADB, World Bank, OECD, IMF
 - BIS, SEACEN
 - and domestic regulatory agencies

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4. The legal base and the economy

- **Critical to business**

- sound, fair and transparent law is vital to investors and savers, and to business confidence

- including enforceable contracts and right to freely transfer property

- **Vital to an emerging economy in attracting foreign savings – particularly long-term**

- lowers risk and ultimately the cost of capital

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5. Promoting insolvency law reform

- **ABAC actively involved**
 - integral component of effective development of regional bond markets
 - and in creating environment conducive to attracting long-term capital flows to emerging markets

5.1 Promoting Insolvency Law Reform

- **ABAC encourages APEC Finance Ministers to endorse ADB/ABA proposals to:**
 - promote model work out agreements in regional banks
 - establish a regional framework
 - develop an effective cross-border insolvency regime, in part to create a “credible threat” to facilitate informal work-outs



6. ABAC commitment

- **Insolvency law reform**

- integral component of ABAC's work to strengthen APEC financial systems
- strongly endorse work of ADB and the ABA and will promote this with APEC Ministers
- incorporated in our capacity building initiatives

