

## **Bringing the Asia Pacific region closer together, through financial services**

***By Beth Smits, head of public affairs and communications Asia Pacific***

The topic of financial integration has not, in the past, been as widely discussed as economic integration. But an important new initiative under the APEC Business Advisory Council (ABAC) is tackling it head on, bringing the public and private sector together to find ways to enable regional financial integration in the 21 economies that make up the Asia Pacific Economic Cooperation group. And SWIFT is pleased to have been part of this initiative almost from the beginning, helping to bring our community's learnings about interconnectivity, standardisation and harmonisation to the table in support of robust financial markets that serve the Asia Pacific's real economy.

The Asia Pacific Financial Forum (APFF) was proposed by ABAC to the APEC Finance Ministers in 2012 as a "regional platform for enhanced public-private collaboration to accelerate the development of robust and integrated financial markets in the Asia-Pacific," and at their annual summit in 2013 the Ministers endorsed its work programme for the next few years, which was initially discussed at a [symposium](#) in April of that year.

Why did ABAC take on the topic? Because: "Regional financial integration is important for Asia-Pacific financial markets to achieve economies of scale and greater depth and liquidity. It is important to enable market participants to become more efficient, innovative and competitive. It is important to enable households and individuals to have wider choices for their financial services needs, and enterprises to have better access to finance at lower costs."

In early July, those public and private sector groups that have been collaborating across six different work streams in APFF will finalise an Interim Report that will go to the APEC Finance Ministers when they meet in Beijing in October 2014. Those work streams are:

- insurance and retirement income;
- lending infrastructure;
- trade and supply chain finance;
- financial market infrastructure and cross-border practices;
- capital markets; and
- linkages and structural issues.

We at SWIFT have been particularly involved in the trade and supply chain finance work stream as well as the financial market infrastructure and cross-border practices work stream, and in the coming months we look forward to sharing with you the action plans that will be proposed in the Interim Report and the progress we are making in the Asia Pacific Financial Forum.

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### **More about APEC, ABAC & APFF**

APEC is a non-binding economic forum amongst 21 members that operates with the consent of the Economic Leaders and Ministers of APEC member economies, who meet throughout the year to chart the future of trade and investment cooperation in the Asia-Pacific region. At the highest level, the leaders of APEC member economies are the custodians and guardians of the APEC process. The three main pillars of activity for APEC are Trade and Investment Liberalisation, Business Facilitation, and Economic and Technical Cooperation. APEC's 21 member economies are: Australia; Brunei Darussalam; Canada; Chile; People's Republic of China; Hong Kong, China; Indonesia; Japan; Republic of Korea; Malaysia; Mexico; New Zealand; Papua New Guinea; Peru; The Republic of the Philippines; The Russian Federation; Singapore; Chinese Taipei; Thailand; United States of America; and Viet Nam.

[ABAC](#) is the sole non-governmental entity that has an official role in the APEC Economic Leaders Summit through a formal dialogue. It meets four times a year and comprises up to three members of the private from each of the APEC economies, nominated by their respective Leaders.

Download [APFF documentation](#), including the latest update submitted to ABAC, from the ABAC website.