



# ABAC Capacity Building Initiatives for International Standards in Finance

Heads of National Standards Bodies -  
Cartagena, Colombia – April 2007 -  
Presentation by ABAC Australia



# Contents

- I. ABAC's experience with finance sector
- II. ABAC capacity building agenda and approach
- III. Lessons learned
- IV. Challenges
- V. Benefits

## I. ABAC – experience with the finance sector

- Capacity building as a pillar objective of APEC
- Why international standards in finance are important
- Financial sector initiatives are facilitating the adoption of standards by APEC economies
  - Banking
  - Insurance
  - Securities
  - Pensions

# I. ABAC – experience with the finance sector

- Multilateral standards-setting bodies
  - Banking – BASEL Committee
  - Insurance – IAIS
  - Securities – IOSCO
  - Pensions – OECD
  - Accounting - IASB
  - Coordination of rules-setting bodies – Financial Stability Forum

## II. ABAC capacity building agenda and approach

Approach to successful capacity building:

1. Public-private partnerships
2. International Finance Institutions
3. Working with APEC Study Centres involved in financial regulatory training programs

## II. ABAC capacity building agenda and approach

### Capacity building focus and agenda:

- Developing institutional qualities
- Ensuring successful reform
- Establishing sound policy frameworks
- Strengthening and deepening finance markets
- Promoting governance, transparency, and access to information
- Nurturing good people

## III. Lessons Learned

---

The importance of:

- Capacity building in promoting convergence to international standards
- Continual sharing of ideas and strategies for implementation
- Training to ensure understanding of standards and implementation
- Partnerships with existing training organisations

## III. Lessons Learned (cont.)

---

The importance of:

- Involving all stakeholders (standard setters, industry, training institutions, investors, etc)
- Public-private partnerships
- Ensuring emerging markets participate in the process



## IV. Challenges

---

- Gaining public/private support to participate
- Confronting the issue for emerging markets that rules are made by others and engaging emerging markets in rules' setting
- Setting priorities for reform and a culture of self-assessment

## V. Benefits

---

1. Stronger financial systems
2. More secure savings and investment
3. Growth in jobs
4. Higher living standards