



Asia-Europe Meeting

ASEM SEMINAR

## FINANCING SMEs IN ASIA AND EUROPE

Rome, 29-30 October 2015

Italian Ministry of Foreign Affairs and International Cooperation  
Sala delle Conferenze Internazionali  
Piazzale della Farnesina, 1

*Working Language: English*



Co-sponsors: China, Indonesia, the Philippines

AGENDA AND SPEAKERS' PROFILES

# CONCEPT

## **Background**

Access to third country markets is crucial to reinforce ASEM 's connectivity and, in this framework, ASEM partners are bound to address the challenge of promoting adequate access to financial resources for their companies' growth and international activities.

In most countries of Asia and Europe, small businesses and mid-caps are an important source of employment, innovation and economic growth. In both industrial and developing countries, Small and Medium Enterprises (SMEs) often make up a large share of registered businesses, spanning a wide range of important industries, including manufacturing, services and trade. Yet, data from several countries suggest that only few growth-oriented SMEs manage to become larger businesses, and one reason for this is that smaller businesses have limited access to funding, including debt credit, preventing them from making the necessary investments to improve their operations, upgrade or expand. Above all, SMEs are largely dependent on the banking sector. Yet, commercial banks often perceive SMEs as being too risky or find it too expensive to lend to SMEs, because the cost of assessing whether they are creditworthy is relatively high, compared to the returns they could earn by lending to them. Moreover, SMEs seeking funding opportunities abroad often face difficulties relating to different requirements or credit ratings, and in recent years even international letters of credit have become less liquid, due to the downgrading of foreign correspondent banks. Indeed, trade credits offered by suppliers can represent an alternative source of external financing. Yet, SMEs are also pressured to grant credit to their buyers and, as a result, they often face significant cash flow problems if they or their customers experience temporary liquidity shocks or defaults. Not surprisingly, many recent studies –including studies of the ADB and the ECB SAFE Survey on *Financing for SMEs* have shown that access to finance remains one of the greatest challenges for SMEs across Asia and Europe, and this market deficiency is also affecting relations within ASEM, considering that SMEs are important players in foreign commerce and trade. In light of the above, the Final Statement of the 10th ASEM Summit (Milan, 16-17 October 2014) '*underscored the importance of improving framework and working conditions for ASEM SMEs, including expanding their access to credit*'. Moreover, several ASEM leaders suggested to work towards a '*more fair and balanced international credit rating system*' affecting ASEM SMEs, and encouraged an enhanced cooperation among relevant agencies and institutions from Asia and Europe.

## **Objectives**

In light of the recommendations of the ASEM leaders and of the parallel international efforts promoted by existing development banks, Italy has proposed to organize an ASEM Seminar on 'Financing SMEs in Asia and Europe', as a follow-up to the 10<sup>th</sup> ASEM Summit in Milan. The Meeting, co-sponsored by China, Indonesia and the Philippines, intends to provide a platform where policymakers and relevant business and financial stakeholders can share best practices, views and opinions, while drawing from significant findings, experiences and lessons learnt. Among others, the ASEM Delegations and other participants to the event shall assess and/or suggest a variety of policies and measures, implemented at any local, national, regional or international level, intended to ease and/or facilitate the access to financing by SMEs, be it in the form of debt credit, capital investment or other financial resources. Particular attention shall be given to innovative solutions which may support or complement the current bank financing model, which may improve the national and/or international rating systems applied to SMEs and which could promote a better coordination between ASEM countries on the issue.

The Seminar aims in particular to:

- address the current role and contribution of ASEM SMEs to growth and highlight the current challenges of matching their financing needs;
- take stock of past and recent experiences in promoting funding and investment in SME-driven business and trade, in the framework of current banking /trade credit practices and international rating systems;
- promote greater financing for ASEM SMEs through a series of policy recommendations for ASEM Governments;
- review the opportunities for raising the effectiveness of related policies and regulations through an enhanced cooperation between Asia and Europe.

### **Expected Outcomes**

The conclusions of the Seminar will be reflected into a Final Statement and will be reported to the 12<sup>th</sup> ASEM Foreign Ministers' Meeting in 2015, as well as to the 12<sup>th</sup> ASEM FinMM and the ASEM Summit in Mongolia in 2016.

# **PROGRAMME AND AGENDA**

## **Thursday, 29 October 2015**

---

**14.30 – 15.00**                      **Registration and Welcome Coffee**

**15.00 – 15.45**                      **OPENING ADDRESSES**

**15.45 – 16.45**                      **PANEL 1 FRAMEWORKS AND WORKING CONDITIONS FOR FINANCING ASEM SMEs**

The panel aims to assess the current financial, legal and fiscal frameworks affecting the working conditions of ASEM start-ups and SMEs, with particular regard to their access to finance for sustaining international activities, expansion and growth. In view of the current trends and opportunities offered by international markets and trade, participants shall focus on the prevailing lending practices (debt credit and trade credit; bank funding and non-banking lending models; public guarantees etc.), as well as on the risk and credit rating systems generally applied to SMEs. In this framework, participants shall evaluate how the bank financing model may be complemented and/or supported through better regulation or through specific public-private endeavors and international agreements.

**16.45 – 17.15**                      *Questions and Answers*

**17.15 – 17.30**                      **Coffee Break**

**17.30 – 18.30**                      **PANEL 2 ACCESS TO CAPITAL AND PRIVATE EQUITY FUNDS: BOOSTING NEW FORMS OF INVESTMENT FOR ASEM SMEs**

The panel will address how public and private investment can foster the internationalization of ASEM SMEs. In light of the trends of the capital markets and the prospects of different forms of direct investment, ranging from mini-bonds to private equity funds, the panel will highlight a range of new funding opportunities for SME-driven business, production and trade. In this framework, participants shall explore how specific public measures and financial regulations can facilitate these forms of public and private investments, including through a better international transparency and cooperation.

**18.30 – 19.00**                      *Questions and Answers*

## Friday, 30 October 2015

---

10.00 – 10.30      **Registration and Welcome Coffee**

10.30 – 11.30      **PANEL 3 A GLOBALIZED MARKET FOR ASEM SMEs:  
SEIZING THE OPPORTUNITIES FOR CREDIT AND FINANCE**

In light of the discussions of Panel 1 and Panel 2, the last Panel of the Seminar will draw some relevant conclusions, based on best practices and 'lessons learnt', and will assess some possible strategies for ASEM cooperation. In this framework, the panel shall highlight a number of innovative solutions aimed at promoting access to finance for ASEM SMEs, in view of sustaining their economic growth and performance, as well as to increase their ability to seize international market opportunities. Among these, to what extent could a better public regulation ease international lending practices, both through the traditional banking model and other non-banking credit systems? In which way could an enhanced coordination between ASEM Governments facilitate the transparency of available funding methods and opportunities? And, finally, which joint endeavors or international agreements could support the connectivity of ASEM markets through the internationalization of ASEM SMEs?

11.30 – 12.00      *Questions and Answers*

12.00 – 12.30      **FINAL REMARKS**

12.30 – 13.30      **Lunch**

# SPEAKERS' PROFILES

## OPENING ADDRESSES

**Massimo GAIANI:** *Director General for Global Affairs, Italian Ministry of Foreign Affairs and International Cooperation, Rome (Chair of Opening Session)*



Massimo Gaiani is the Director General for Global Issues and for Asia, Sub Saharan Africa, Latin America at the Italian Ministry of Foreign Affairs and International Cooperation as of 20 October 2015. He previously served as Ambassador of Italy to Albania (since December 2011).

He entered the diplomatic service in 1982. Since then, he has served in various capacities at the Ministry of Foreign Affairs in Rome and at diplomatic missions in Montreal, Washington and Brussels. The Director General has a long experience in European Union affairs. He has been the Foreign Minister's diplomatic advisor on

European affairs, Director General of the Department of European Policies of the Office of the Prime Minister and Head of the Secretariat of the Interministerial Committee for European Affairs.

### **The Directorate General for Global Affairs**

The Directorate General for Global Affairs (DGMO) is responsible for all issues related to global governance. Among the main duties of the Directorate, the issues followed by the International Institutions for Economic, Trade and Multilateral Financial Cooperation, economic and multilateral financial subjects pertinent to the G7-G8-G20 processes and the sectors of energy and the environment. The Directorate also promotes bilateral political, economic and cultural relations with the countries of Asia and Oceania, Latin America and the Caribbean and Sub-Saharan Africa, whose numbers amount to 60% of all United Nations Member States.

**Benedetto DELLA VEDOVA:** *Under-Secretary, Italian Ministry of Foreign Affairs and International Cooperation, Rome*



Born in Sondrio (April 3rd, 1962). High School Diploma (1981). Degree in Economics at "Università Commerciale Luigi Bocconi" (Milan, 1988). Researcher at IEF Bocconi (Institute for economics of energy sources, 1987-1990). Researcher at IRER (Lombardy's Research Institute, 1990-1996). Assistant professor for Economics and Agricultural Policies at Università Cattolica (Milan, 1990-1995).

Counsellor at CNEL (Economy and Labour National Council, 2005-2006), as expert appointed by the Government.

Contributor at "Il Sole 24 Ore" (a major economic national newspaper, 2001-2004)

and "Corriere della Sera" (2005-2006). Host of "Catallassi", a program on economic issues on Radio Radicale, and other radio programs.

National Secretary (1994-1997) and Treasurer (1994-1996) of the movement "Club Pannella - Reformers". Member of the Directorate of the Lista Pannella (1997-1999). Since 1992 he has been member of the Transnational Radical Party.

Member of European Parliament (1999-2004). Member of the Economic and Monetary Affairs Committee (ECON) and the Industry, Research and Energy Committee. Member of the Delegation for relations with countries of South Asia and SAARC.

Member of Italian Chamber of Deputies (2006 to 2013, for PDL and then FLI) and then member of Italian Senate. Since 2013 he is the National Spokesperson of Scelta Civica (party founded by Mario Monti).

Since February 2014 he is Undersecretary of State at the Ministry of Foreign Affairs (Renzi Government).

**Valeria SANNUCCI:** *Deputy Governor of Banca d'Italia, Rome*



Born in Rome, 19 April 1953.

Member of the Governing Board and Deputy Governor of Banca d'Italia from 10 May 2013; as such, also member of the joint Governing Board of the Insurance Supervisory Authority (IVASS).

Valeria Sannucci joined Banca d'Italia in 1977, assigned to the Foreign Exchange Unit of the Milan regional branch. In 1979 she moved to the Head Office in Rome, in the Research Department, first with the international and then with the monetary sector, where she headed the Financial Accounts Office.

From 1986 to 1992 she was part of the Historical Research Office, contributing to the works published in 1993 for the 100th anniversary of the founding of Banca d' Italia.

In 1996 she joined the Personnel Management Department and then, from 2006 to 2012, she was Head of that Department. During this period she worked on the organizational reform of the Bank and was a member of the Human Resources Conference (which groups the heads of personnel of the ESCB central banks) as well as a number of collegial bodies for human resources management within the Bank.

In December 2012 she was named Managing Director responsible for coordinating the activities related to the Bank's participation in the Eurosystem, including the Banking Union project.

Ms Sannucci graduated from the University of Rome "La Sapienza" in 1976 with a degree in business and economics. She was awarded the Banca Nazionale del Lavoro's Arturo Osio fellowship and took an M.A. in Economics from Columbia University in New York.

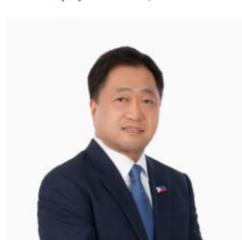
#### **Ettore GRECO:** *Director, Istituto Affari Internazionali (IAI), Rome*



Ettore Greco is Director of the IAI and also heads the transatlantic program of the institute. He worked as visiting fellow at the Brookings Institution from January 2006 to July 2007. He taught at the universities of Parma and Bologna. From 2000 to 2006 he worked as correspondent for the Economist Intelligence Unit. From 1993 to 2000 he directed the IAI's program on Central and Eastern Europe. He was also Deputy Director of the IAI from 1997 to 2008. From 2000 to 2006 he was Editor of The International Spectator. He is the author of a number of publications on the EU's institutions and foreign policy, transatlantic relations and the Balkans.

He has been a free-lance journalist since 1988.

#### **Cesar V. PURISIMA:** *Secretary of Finance, Department of Finance, Republic of the Philippines, Manila*



Cesar V. Purisima is the Secretary of Finance of the Philippines, appointed by President Benigno S. Aquino in 2010, and the Chair of the Economic Development Cluster of the President's Cabinet. He briefly served as Finance Secretary in 2005 and Trade and Industry Secretary from 2004 to 2005.

Purisima is currently a member of the Monetary Board of the Bangko Sentral ng Pilipinas, the Governor for the Philippines at the Asian Development Bank (ADB), the Governor for the Philippines at the World Bank, and Alternate Governor for the Philippines at the International Monetary Fund. He is also the Chair of the

APEC Finance Ministers' Process in 2015. In 2011-2012, he served as Chairman of the ADB Board of Governors. In May 2012, he chaired the 45<sup>th</sup> Annual Meeting of the Board of Governors which was held in Manila.

Secretary Purisima has been recognized as *Finance Minister of the Year* five times in four consecutive years, a first in the history of the Department of Finance and the Philippines.

He was first recognized by London-based financial news source *Emerging Markets* as *2011 Finance Minister of the Year for Asia* for his strong policy track record and steadfast commitment to maintaining economic stability. A year later, he was named *2012 Finance Minister of the Year* by business and finance magazine *Euromoney* for his careful and successful stewardship of the Philippine economy whose growth stood against the challenging global macro-economic backdrop. He was once again the choice of *Emerging Markets* for *2013 Finance Minister of the Year for Asia* for his success in steering an economic policy that has led to upgrades in the Philippines' credit rating to investment grade. In the same year, he was cited by the international publication *The Banker* as *2013 Finance Minister of the Year for Asia Pacific* for elevating the status of the Philippines in the international community. Most recently, he was awarded the *Finance Minister of the Year 2014* by *FinanceAsia* for his leadership in driving the turnaround story of the Philippines.

Before his stint in government, Secretary Purisima, a Certified Public Accountant, has had extensive work experience in public accounting both in the Philippines and abroad.

From 1999 to 2004, he served as Chairman and Managing Partner of the country's largest professional services firm, SGV & Co. (a member firm of Andersen Worldwide until 2002 and presently member firm of Ernst & Young Global). From 2001 to 2002, he was also Area Managing Partner for Asia-Pacific for Assurance and Business Services of Andersen Worldwide, making him the first and only Filipino so far to head the Area practice of a Big 4 accounting firm. In Ernst & Young Global, he was a member of both the Global Executive Board and Global Practice Council.

Purisima was the Alumni Merit Awardee for the Kellogg Graduate School of Management in the 2014 Northwestern Alumni University Awards, making him the first Filipino awardee from Kellogg and among the first Filipinos to receive such a distinction from the University. He was conferred by the Republic of



France the *Chevalier de l' Ordre national du Merite* (rank of Knight) in the economic domain in 2001 for bringing together France and the Philippines. He was named Fellow of the Eminent Southeast Asians Programme of the Singapore International Foundation in 2003. In the Philippines, he has been granted the highest awards in accountancy by the Professional Regulation Commission and the Philippine Institute of Certified Public Accountants.

Purissima was conferred Doctor of Humanities, Honoris Causa, by the Angeles University. He obtained his MBA from the JL Kellogg School of Management, Northwestern University, and his bachelor's degree in commerce from the De La Salle University.

**Rudy SALAHUDDIN:** *Deputy Minister for Creative Economy, Entrepreneurship, and Cooperatives & SMEs Competitiveness, Coordinating Ministry for Economic Affairs of the Republic of Indonesia, Jakarta*



In addition to his current position, Mohammad Rudy Salahuddin is a Commissioner with PT. Tugu Pratama Indonesia (a subsidiary of PERTAMINA) and PT PNM Venture Capital (a subsidiary of Permodalan Nasional Madani). Previously, Salahuddin held various positions in BKPM, including Director of Investment Planning for Service and Economic Zone and Director of Exhibition and Promotion Media. He was Deputy Director for Energy Development and Utilization, Deputy Director for Post and Telematics and the Head of Informatics and Multimedia Section with the State Ministry of National Development Plan (PPN/BAPPENAS). He was also on staff with Transportation Equipment Planning Bureau at PPN/BAPPENAS. He participated in the Knowledge Intern Program (KIP) in the Transportation Division, IBRD at the World Bank in Washington, DC. Salahuddin received a Bachelor Degree in Civil Engineering from Universitas Indonesia, Depok; a Master's Degree and Doctoral degree in Engineering Management and Systems Engineering from George Washington University, Washington, DC.

**Zhang JINLIANG:** *Executive Vice President, Bank of China, Beijing*



Executive Vice President of the Bank since July 2014. Mr. ZHANG joined the Bank in 1997 and served as General Manager of the Beijing Branch of the Bank from November 2009 to December 2014. He worked in the Financing and Accounting Department of the Head Office for many years. From February 2007 to November 2009, Mr. ZHANG served as General Manager of Financial Management Department of the Head Office. From October 2003 to February 2007, Mr. ZHANG served as Deputy General Manager of the Financing and Accounting Department of the Head Office, and also served as General Manager of the IT Blueprint Implementation Office from March 2005 to February 2007. He obtained his Doctorate in Economics from Xiamen University in September 1997. He is a Certified Public Accountant.

## **SPEAKERS AND DISCUSSANTS**

**Jiraphant ASVATANAKUL:** *Treasurer, Thai Chamber of Commerce and the Board of Trade of Thailand, Bangkok (Discussant Panel 2)*



### **Educations:**

B.A. Economics, Thammasart University, Thailand

M.P.A. University of Texas at Austin, USA

### **Work Experiences:**

1987-Present: President & CEO, Thaivivat Insurance Pcl.

1999-2000: Member of Voluntary Motor Insurance Tariff Committee  
Department of Insurance, Ministry of Commerce

2001-2004: Director, Aberdeen Asset Management Public Co., Ltd.

2006-2007: Chief of Thailand Delegate in East Asian Insurance Congress

2001-2009: Secretary, General Insurance Association

2008-2009: Chairman of ASEAN Insurance Council

2009-2013: President, General Insurance Association

2011-2014: Director, Board of Trade of Thailand

2013-2014: Deputy Secretary General, Board of Trade of Thailand

2001-present: Director, Road Accident Victims Protection Co. Ltd

2008-present: Director, Policy Protection Fund

2013-present: Chairman of the Federation of Insurance Companies in Thailand



2015-present: Treasurer

2015-present: Chairman of the Committee on Trade Association of Finance, Investment and Insurance

2015-present: Chairman of the Committee on Risk Management of Business and Insurance

**Anita BHATIA:** *Director of Development Partner Relations, International Finance Corporation (IFC), World Bank Group, Washington (Speaker Panel 2)*



Ms. Anita Bhatia is the World Bank Group Director for Development Partner Relations. In this role her team supports strategic engagement and relationship management with the WBG's funding partners.

Ms. Bhatia joined IFC in June 2003 as a Senior Private Sector Development Specialist in the Small and Medium Enterprise Department based in Bolivia. In November 2003, she was appointed General Manager of the Latin America Technical Assistance Facility based in Peru, where she oversaw the creation of IFC's Advisory Services in Latin America, successfully expanding IFC's footprint and reach in new markets in the region. In 2006, IFC's Executive Vice President and CEO appointed her head of IFC's first change management office, the Global Local office, through which she played a key role in implementing IFC's decentralization efforts. Following that she led IFC's Business Process Improvement efforts. In 2008, she was appointed IFC's first Global Head of Knowledge, where she oversaw the knowledge management efforts in the Corporation.

In 2011 she was appointed IFC's Director for Partnerships and Advisory Services Operations where she was responsible for IFC's global development partner relations, as well as building the operational infrastructure for portfolio management, risk management, financial operations and trust fund management for IFC Advisory Services. She became the WBG Director for Development Partner Relations in 2014.

Prior to joining IFC, Ms. Bhatia held a number of positions within and outside the World Bank Group, in consulting and in development. She has extensive regional experience having worked in Eastern Europe, Africa, Asia and Latin America. She is the author of the book "Privatization in Africa" and several articles and monographs on key issues in private sector development, focusing on micro-economics constraints to growth and SME development. Ms. Bhatia, an Indian national, holds a BA in History from Calcutta University, an MA in Political Science from Yale University, and a Juris Doctor from Georgetown Law School.

**Umberto DEL PANTA:** *Managerial Adviser, European Investment Bank, Luxembourg (Discussant Panel 3)*



**PROFESSIONAL EXPERIENCE:**

2005 – TO DATE European Investment Bank (EIB) – Luxembourg

Position: Managerial Adviser – Responsible for Lending Operations in Central Asia

Main responsibilities: Developing lending strategies. Leading operations in Central Asia.

1999 - 2005 Black Sea Trade and Development Bank – Greece

Position: Business Group Director – Banking Operations

Main responsibilities: Director of lending and equity operations in Greece, Russia and Ukraine.

1991 - 1999 European Investment Bank (EIB) – Luxembourg

Position: Senior Banker - Lending Operations

Main responsibilities: Led operations in Ireland, France, Denmark, Germany and Austria.

1989 - 1991 Bank for International Settlements (BIS) – Switzerland

Position: Senior Financial Officer – General Secretariat

Main responsibilities: Co-leader of inter-directorate working groups on treasury strategy, budget and planning methodologies, accounting and management information systems on behalf of the Secretary General and under supervision of Mr. A. Lamfalussy, Director General of the Bank.

1987 - 1989 Citibank – Italy - UK

Position: Portfolio Manager and Head of Research

Main responsibilities: Led portfolio management operations and financial analyses for loan, equity and mezzanine operations. Member of Citibank's international asset allocation committee.

1984 - 1987 IBM - Italy

Position: Senior Financial Analyst

Main responsibilities: Evaluated real estate, treasury and equity investments.

1984 (1-10) Mediobanca - Italy

Position: Financial Analyst / Credit Analyst

Main responsibilities: Prepared financial and risk analyses for lending and equity operations.

## EDUCATION:

1979-1983 "L. Bocconi" University – Italy  
Business administration – Master equivalent – "Cum Laude"

### **Pierre DELSAUX:** Deputy Director General, DG Growth, European Commission, Brussels (Speaker Panel 3)



Pierre Delsaux was born in Belgium in 1957. After studying Law at the University of Liège, he obtained his Master of Law at the Northwestern University, Illinois US, in 1983. He was Legal Secretary at the European Court of Justice from 1984 to 1987. His career within the European Commission has included working in the Directorate General Competition (1991-1994). He was Deputy Director General in charge of the Single Market at the Directorate General Internal Market and Services (2011-2014). Currently he is Deputy Director General in charge of the Internal Market at the Directorate General Internal Market, Industry, Entrepreneurship and SME's.

Pierre Delsaux actively contributed to the European Commission reaction to the financial crisis in the areas of corporate reporting and governance, governance of supervisory and standard setting organisations, both at the EU and global level. His interests include also the application of community law across the EU, as well as the functioning of internal market.

### **Luca FERRARI:** Deputy Director General for Global Affairs/Principal Director for Multilateral Economic and Financial Cooperation, Italian Ministry of Foreign Affairs and International Cooperation, Rome (Chair Panel 1)



A career Diplomat, Mr. Luca Ferrari is Deputy General Director for Global Affairs and Central Director for Economic and Financial Multilateral Cooperation at the Italian Ministry of Foreign Affairs in Rome.

Mr. Ferrari joined the Foreign and Diplomatic Service in 1986. In his first tour of duty abroad he was posted in Moscow and subsequently in Washington, D.C..

Upon his return to Rome in 1999, he served as Executive Assistant to the Foreign Minister and was later promoted to the position of Director for Near Eastern Affairs, a position that he held until his (second) departure for Washington, D.C., in 2005.

In the US, Mr. Ferrari served as Minister Counselor for Public and Legislative Affairs. In 2009 he was nominated Deputy Head of Mission of the Italian Embassy in Madrid, Spain. In October of 2013, Foreign Minister Emma Bonino designated Mr. Ferrari to his current position.

Mr. Ferrari holds an MA in Political Science from the University of Rome. He is a contributor to 'Aspenia', the geo-political magazine of the Aspen Institute Italy. He holds regular talks for the Executive Management Programme of the IE Business School in Madrid, Spain.

He was born in Rome, October 28, 1961.

### **Anna GERVASONI:** Director-General, Italian Private Equity and Venture Capital Association (AIFI), Milan (Speaker Panel 2)



Graduated in Economics with honours at Bocconi University.

Full Professor of Corporate Finance at Cattaneo University – LIUC where she is Director of the Master in Merchant Banking and President of Private Equity Monitor - PEM® and Venture Capital Monitor - VEM™.

She is General Manager of AIFI – Italian Private Equity and Venture Capital Association.

Public accountant.

Independent Director of: Fondo Italiano di Investimento Sgr, Banca Generali SpA and SOL SpA.

Statutory Auditor of Saipem SpA and Member of Internal Auditors of Eni Foundation SpA.

Author of more than 50 books and papers on management and finance, she collaborates with several financial and economic magazines.

In 2002 she was given the Honorary title of "Ufficiale" by the President Carlo Azeglio Ciampi.

## Outline

The development of alternative financing channels, complementary to the banking system, is a need for the development of SMEs, as reiterated in the Green Paper on the Capital Markets Union of the European Commission. Private equity and venture capital, in particular, can play a role of primary importance in the modern economic systems, providing not only "patient" capital to support development programs and new strategies, but also know-how that the investor can give to support the company, in order to achieve

its objectives. This means for target companies better economic performances than other businesses, as many researches, both Italian and international, have showed. In particular, it is often demonstrated that, together with private equity players, companies can achieve higher growth in terms of revenues, EBITDA and number of employees, in addition to encouraging the processes of internationalization and improving the company's image to the market. From these empirical evidences, the importance of having an ecosystem arises, where the private equity and venture capital markets can grow, with measures and policies that support the spread of the equity culture. Within this context, private players and public decision-makers can support together the innovation chain. The schemes of public-private partnerships, especially in the form of fund of funds, can contribute to this goal, and in recent years, a growth of these measures can be observed.

**Pietro GINEFRA:** *Principal Manager in the International Relations Directorate of Banca d' Italia, Rome (Chair Panel 3)*



Mr. Pietro Ginefra is Principal Manager in the International Relations Directorate of Banca d' Italia.

Until September 2013 he was Chief Representative of Banca d' Italia for Japan, Korea, Singapore, Indonesia, Malaysia and Thailand.

In 2003, he was appointed Chief Representative of Banca d' Italia for Japan, Hong Kong and Singapore. In 2008, he became responsible for Korea and, since 2010, he has been covering also Indonesia, Malaysia and Thailand.

Before his designation as Chief Representative for Japan, Mr. Ginefra was Deputy Chief Representative in New York from 1998 to 2003, and Deputy Chief Representative in Paris from 1993 to 1998.

Mr. Ginefra graduated in Political Science-Economics from the University of Pisa in 1983 and received a Master's Degree in Banking at the University of Siena, Italy, in 1986.

In 1989-1990, he was visiting scholar at the Department of Economics of the London School of Economics.

Mr. Ginefra is regularly invited to participate as a discussant in various conferences and seminars in Japan, Korea, Singapore and Italy as an expert of International and Comparative Economics.

**Giorgio GOBBI:** *Head of the Financial Stability Directorate, Banca d' Italia, Rome (Speaker Panel 1)*



Head of Financial Stability at Banca d' Italia since January 2014, Giorgio Gobbi is the author of numerous articles on banking and finance published both in Italy and abroad (including The Journal of Finance, The Review of Finance and The Journal of Banking and Finance). He has co-authored two books on the Italian financial system. He has also taught short courses and delivered lectures on financial intermediation at several Italian universities. He represents Banca d' Italia in the Advisory Technical Committee of the ESRB and in the Financial Stability Committee of the ESCB.

He started his career at the Banca d' Italia in 1990, and was assigned to the monetary and financial sector of the Economic Research Department until 2007, carrying out analysis and research on the banking industry. From 2007 to mid-2013 he headed the Financial Structure and Intermediaries Division within the Structural Economic Analysis Department. In July 2013 he was appointed Deputy Head of the Financial Stability Unit.

Giorgio Gobbi graduated with honours in Economics and Business from the University of Modena in 1985 and received an M. Phil. in Economics from the University of Oxford in 1989.

**Outline**

SMEs account for a substantial share of the global real economy, in terms of employment and value added, although a high degree of heterogeneity is present across countries and geographical areas.

An undisputed evidence about SMEs, independent of their specific economic activity or location, is the higher difficulty they face in securing external finance, compared to large companies. This is mostly the effect of well-known credit market failures, mainly owing to the lack of reliable financial data which exacerbates information asymmetries between lenders and borrowers, or to the particular risk profile small firms may feature, as in the case of start-ups and innovative SMEs.

These financing obstacles have been typically addressed by Governments and public institutions, all over the world, through policy measures, such as public guarantee schemes or fiscal measures, as well as the establishment of dedicated structures and funds to enhance SME financing. In spite of a widespread "hands on" approach, Government measures are necessarily differentiated within different jurisdictions, as the heterogeneity of the SMEs' role across countries rules out a one-size-fits-all approach.

SMEs have suffered more than large enterprises from the economic and financial crisis that severely affected banks and the real economy after the 2008 Lehman collapse. This was particularly true for European SMEs, due to their greater reliance – with respect to other financial systems – on bank credit as a source of external funding.

The widespread worsening in credit flows to the economy and the struggles in boosting other non-bank sources of finance encouraged authorities, at national and European levels, to intervene with the aim to reform the financial architecture and strengthen both the banking system and the non-bank finance provision.

The reforms underway in the EU have led to the project of the Banking Union (BU), now at a well advanced stage in the Euro Area. This will foster a full integration of the banking industry, which in the long-term will create a more conducive environment to ensure adequate bank lending to the economy, including to the SMEs' sector.

Moreover, the plans to create a Capital Markets Union will allow to achieve a more flexible and diversified financial system in the EU, where market-based financing will add to bank financing and will also contribute to support the economy, including SMEs. The plan should allow the development of new financial instruments and markets, while institutional and private investors will benefit from initiatives to access information on credit quality, that will also extend the opportunities to invest in SMEs.

***Pham Thi Thu HANG: Secretary General, Vietnam Chamber of Commerce and Industry, Ha Noi (Discussant Panel 2)***



Dr. Hang has gained Ph.D degree on Economics in 1990 at Moscow State University, Russia.

She has been assigned as Secretary General of Vietnam Chamber of Commerce and Industry in July, 2011. She also has been cum Director of SME Promotion Center of VCCI since 2001 until 2013 and Director of Enterprise Development Foundation – an R&D unit of VCCI since 2004 until now.

Dr. Hang has managed numerous SME development projects implemented by VCCI in collaboration with World Bank Group, ADB, EU, UNIDO, ILO, UNDP, WHO, DFID, USAID, GIZ, JICA... She is member of ASEAN SMEs advisory board and continuously has been Judging Member of ASEAN Business Awards since 2007.

Dr. Hang is the Chief Editor of 8 series of “Vietnam Annual Business Reports” of the years 2006-2013 and leading a number of market research and publications on SMEs, innovation, poverty reduction.

Dr. Hang has got a Labor Medal of Third Class by President of Vietnam and three Award Certificates by Prime Minister of Vietnam.

Dr. Hang is married, has Son and Daughter. Her hobby is music and fashion.

***Outline***

With the signed EVFTA with EU, Vietnam is now becoming a hub for trade connection between EU-ASIA thank to the formulation ASEAN Economic Community (AEC) by the end of 2015 and number of FTAs between Vietnam and Asian Countries.

Private equity investment in Vietnam remains a significant driver behind Vietnam's economic growth. PE investors are ready to put additional resources in the market with an expectation of better long-term returns. Food and Beverage, where there is a large number of SMEs, takes the second position of the potential industry for investment. Investors also put their faith in clean tech sector green growth as it is one of the key topics in EVFTA.

By assessing to capital, SMEs in ASEAN countries are facing the difficulties in collateral, poor corporate governance. Bankers are lacking of appropriate services for SMEs and long term financial resources.

In this regard, innovative actions, such as aid-for-trade are encouraged: Boosting venture capital for more technology based SMEs; Development of the credit rating scheme for SMEs and credit guarantee system; Developing bond market for the CLMV countries or ASEAN; Formulating of SME national and regional development fund of ASEAN; Establish the Institute of Directors to encourage OECD's standard of corporate governance; A form of challenge funds could support bankers to develop new product and services appropriate to SMEs; And ICT's role for financial inclusion”.



**Manabu HOMMA: Special Advisor for SMEs, Japan Bank for International Cooperation (JBIC), Tokyo (Discussant Panel 3)**



Name in full: Manabu Homma

Present Occupation: Deputy Head, Asia and Oceania Finance Department

Education:

March 1987: Graduated from Hitotsubashi University, Faculty of Law

Professional Career:

April 1987: Joined The Export-Import Bank of Japan

October 1987: Information Systems Department

April 1990: Loan Department II (Europe, the Middle East and Africa)

June 1991: Temporary Transfer (The Ministry of Finance)

August 1993: Representative in New York

November 1996: Deputy Director Loan Department I (Asia and Oceania)

October 1999: Assistant Advisor Loan Administration and Information Systems Department, Japan Bank for International Cooperation

April 2002: Senior Representative in Jakarta

March 2005: Director, Division 2 International Finance Department 1, (Asia and Oceania)

July 2006: Director, Division 3, Administration and General Services Department

October 2008: Deputy Head, Administration and General Services Office Treasury Department

May 2009: Deputy Head, Asia and Oceania Finance Department

July 2011: Chief Representative in Jakarta

August 2014: Senior Advisor, Infrastructure and Environment Finance Group

June 2015: Special Advisor for SMEs, Industry Finance Group

**Outline**

In Japan, shrinking domestic market brought by decreasing population certainly drives Japanese companies to go abroad. Though a number of large-scaled Japanese companies have already succeeded in overseas development, recently Japanese SMEs accelerate their foreign business in various sectors including manufacturing and service industry.

As one of policy based governmental agency in Japan, Japan Bank for International Cooperation (JBIC) positioned supporting for Japanese SMEs as one of the most important challenges in mid-term management plan in 2012. According to this plan, JBIC has taken several measures. As the result of those, 2014 fiscal year, we more than tripled the number of commitment for SMEs compared to 2012 fiscal year. In our intervention, we would like to introduce our successful measures to support Japanese SMEs to expand their overseas business including but not limited to, cooperation with Japanese regional banks, finance in local currency, enhancing two-step loan.

**Pascal LAGARDE: Executive Director of Bpifrance, Paris (Discussant Panel 2)**



Pascal LAGARDE, 51, graduated from the Ecole Polytechnique (X 82) and the Ecole Nationale Supérieure des Techniques Avancées. He began his career as head of program at the General Delegation for Armament of the French Ministry of Defense, in the telecommunications sector (1987-1993). At the Ministry in charge of the Industry (1994-1998) he became successively the assistant of the “electronic components” assistant director and “IT and telecommunications” assistant director.

In September 1999, Pascal LAGARDE was appointed Head of the Venture and Seed Capital Department of CDC PME (Groupe Caisse des Dépôts) and, in 2001, assistant Managing Director of CDC PME, and Chairman of its subsidiary CDC PME Gestion, in charge of public mid caps investments.

In June 2003, he was appointed Managing Director of CDC PME.

In September 2006, as part of the reorganization of the private equity activities of Caisse des Dépôts, Pascal LAGARDE was appointed Managing Director of CDC Entreprises, in charge of CDC general interest programs for SMEs equity financing: venture capital, expansion capital and smallcap LBOs. CDC Entreprises was a management company, managing a total of 7,8 B€ in fund of funds and direct investment funds. Its LPs included the CDC group, public and private financial institutions and industrials firms.

Following the creation of Bpifrance, Pascal LAGARDE has been appointed in July 2013 Executive Director of Bpifrance, in charge of strategy, development, international affairs and ESG.

Pascal LAGARDE is a board member of the EIF. He also co-founded the European Venture Fund Investors Network (EVFIN), a platform for dialogue launched in March 2011 by major national investors in venture capital in response to the continuing funding crisis in this sector across the EU.

## Outline

Bpifrance enjoys a fruitful cooperation experience with China Development Bank (CDB) in the field of private equity fostering in Europe and Asia. The first talks began in 2010-2011, where there was a consensus on 2 facts: commercial and industrial exchanges between France and China were at a high level but there were not enough SMEs involved, sometimes because they were lacking financing. So, Bpifrance and CDB decided to create a private equity fund that would be the financing tool for Chinese SMEs willing to do business in Europe and especially in France, and reversely for French SMEs interested in deploying their activities in China. Of course, this strategy needed a very good expertise on both French and Chinese economic landscapes, in order to accompany entrepreneurs, help them find the right partners, avoid pitfalls and help them grow. So CDB and Bpifrance decided to retain Cathay Private Equity, an experienced bicultural Chinese-French private equity firm, to manage the fund. Of course, the investee SMEs also had the opportunity to get support from Bpifrance and CDB, both benefiting from extensive networks in their respective countries. The fund closed in 2012 with 150 M€, and has invested in 9 companies. It has been a real success so far, as most of these companies have taken the opportunity of a development on new geographical markets. Bpifrance and CDB launched in 2014 the Sino-French Midcap fund (500 M€), with the same strategy for Midcaps, and in 2015 the Sino-French Innovation fund (250 M€) for innovative start-ups.

Bpifrance has also signed partnership agreements with two Chinese banks:

- Bank of China is a long-time partner of Bpifrance with whom it co-finances French subsidiaries of Chinese companies. Bpifrance also guarantees loans granted to Bank of China's clients in France.
- ICBC is a new partner to Bpifrance. Both teams are currently trying to develop products adapted to the specific needs of their respective clients.

## **Hosuk LEE-MAKIYAMA:** *Director, European Centre for International Political Economy (ECIPE), Brussels (Speaker Panel 1)*



Hosuk Lee-Makiyama is the director of European Centre for International Political Economy (ECIPE) and a leading author on trade diplomacy, EU-Far East relations and the digital economy.

He is regularly consulted by governments and international organisations on a range of issues, from trade negotiations to economic reforms. He appears regularly in European, Chinese and US media, and is noted for his involvement in WTO and major free trade agreements. He was also named "One of the 20 most influential people for open internet" by the readers of the Guardian UK in 2012. He was the first author to argue for a WTO case on internet censorship in China.

Prior to joining ECIPE, he was an independent counsel on regulatory affairs, competition and communication, Senior Advisor at the Ministry of Foreign Affairs, representative of Sweden and the EU member states towards the WTO and the UN, including WIPO and UNECE. Lee-Makiyama is also a Fellow at the department International Relations at the London School of Economics, and currently shares his time between LSE and ECIPE.

## **Tongurai LIMPITI:** *Deputy Governor, Bank of Thailand, Bangkok (Discussant Panel 3)*



Name: Mrs. Tongurai Limpiti

Present Position: Deputy Governor, (Financial Institutions Stability), Bank of Thailand

1979: MBA (Accounting and Finance), University of Wisconsin, Madison

1977: Undergraduate degree in Accounting, Chulalongkorn University

15 Aug. 2014 - Current: Deputy Governor (Financial Institutions Stability)

2 Sep. 2012 - 14 Aug. 2014: Deputy Governor (Corporate Support Services and Banknote Management)

1 Oct. 2011 - 1 Sep. 2012: Assistant Governor, Financial Institutions Policy Group

1 Nov. 2008 - 30 Sep. 2011: Assistant Governor, FIDF Management Group

1 Nov. 2007 - 31 Oct. 2008: Senior Director, Fund Operation Department

1 Oct. 2005 - 31 Oct. 2007: Senior Director, Prudential Policy Department

1 Mar. 2004 - 30 Sep. 2005: Senior Director, Financial Institution Strategy Department



**Miguel OTERO-IGLESIAS:** *Senior Analyst on the European Economy and Emerging Markets, Elcano Royal Institute, Madrid (Discussant Panel 1)*



Dr Miguel Otero-Iglesias is Senior Analyst for the International Political Economy (IPE) at the Elcano Royal Institute in Spain and External Research Fellow at the EU-Asia Institute at ESSCA School of Management in France. He is an expert in European and international monetary affairs. He is particularly interested in the political economy of the European Monetary Union (EMU) and China, and in EU-China and EU-Asia macroeconomic relations. He was a Postdoctoral Research Fellow at the London School of Economics and Political Science, Adjunct Lecturer at the University of Oxford and he holds a PhD in IPE from Oxford Brookes University. He has been

visiting research fellow, among other places, at the Institute of World Economics and Politics (IWEP) at the Chinese Academy of Social Sciences in Beijing, and at the Mercator Institute for China Studies (MERICS) in Berlin. He is the author of the *The Euro, the Dollar and the Global Financial Crisis* (Routledge 2014), co-author of the report: "How to Fix the Euro", has published more than a dozen peer-reviewed articles in internationally recognized academic journals and he regularly writes op-eds for Spanish and international media.

**Outline**

In my short intervention I would like to present a brief summary of the current access to credit for SMEs in the Eurozone, especially in the South. Access to credit has improved since 2012, especially in Spain, but there is still a considerable spread between credit access in the so-called core Eurozone countries and the periphery. If one looks at ECB data on application for bank loans, it can be seen that credit access remains curtailed for SMEs in Greece and Ireland (also in The Netherlands which is the outlier of the north), somehow better in Italy and Spain, and more favorable in Belgium, Germany, France and Finland. One of the structural problems of the Eurozone is that credit conditions for SMEs are still affected by the credit rating of the sovereign. This geographical/political bias has receded with the introduction of the ECBs QE policy, but is very likely to return if QE stops and there is no genuine banking union in place with more fiscal risk-sharing (a proper fiscal backstop) and more transnational European banking consolidation and operations. Finally, I would also like to stress that while countries in the EZ need to promote alternative non-banking credit channels, this structural shift will take time due to cultural and market-based path-dependencies.

**Fabrizio SACCOMANNI:** *Vice President, Istituto Affari Internazionali (IAI), Rome (Chair Panel 2)*



Fabrizio Saccomanni was Minister of Economy and Finance in the Government headed by Mr. Enrico Letta (from April 2013 to February 2014). He previously held the positions of Member of the Directorate (Governing Board) and Senior Deputy Governor (Director General) of Banca d' Italia (October 2006 - April 2013); President and member of the Governing Board of the Insurance Supervisory Authority (IVASS) (from 1 January 2013 to 27 April 2013); Member of the Board of Directors of the Bank for International Settlements (2006-2013); Alternate to the Governor of Banca d' Italia in the Governing Council of the European Central Bank (2006-2013); Vice

President for Risk Management of the European Bank for Reconstruction and Development (from February 2003 to September 2006). He is currently Vice President of the IAI (Institute of International Affairs), Visiting Professor at the European Institute of the London School of Economics (LSE) and Senior Fellow at the School of European Political Economy LUISS. He is the author of many articles and essays.

**Tokiko SHIMIZU:** *Deputy Director-General of International Department, Bank of Japan, Tokyo (Discussant Panel 2)*



Ms. Tokiko Shimizu has served as Deputy Director-General of the International Department since June 2014, and is in charge of Asian affairs including economic research and international coordination among the Central Banks in the region. Since joining the Bank of Japan in 1987, she has accumulated experience mainly in the fields of financial markets and prudence policy. She was appointed to her first senior position as Head of the Foreign Exchange Division of the Financial Markets Department in 2006, and has held several senior positions including Deputy Director of the Bank's London Representative Branch, Head of Financial Institutions Surveillance Division and

Principal Examiner of the Financial System and Bank Examination Department. She also served as General Manager for the Bank's Takamatsu Branch, where she frequently met with various SME

executives as a part of her mission to research on the current state of Japanese SMEs and local economy. She earned her Bachelor's degree in urban engineering at the University of Tokyo in 1987 and her Master's degree in International Policy Studies at Stanford University in 1994.

### *Outline*

The Asian economy has grown significantly since the global financial crisis of 2008, through exports and enhancement of its supply-chains, and has now become a leading region in world economic growth. However, growth momentum in Asia has shown signs of weakening over the past year. China's shift to a "new normal", and the decline in its induced imports, seems to have slowed down growth, especially in regional economies that depend on exports to China. In order to maintain Asia's position as a main driver of world economic growth, it will be necessary to establish a financial system that promotes effective financial capital accumulation, which will in turn support steady growth in the real economy. SMEs, which play such a crucial role in economic growth in Asia, often face greater credit constraints than large enterprises. To tackle such constraints, the BOJ set up a framework that enhanced SMEs' use of ABCPs. Meanwhile, the Japanese government established the CRD Association to gather credit data relating to SMEs. The CRD contributes to the effective screening of SMEs by financial institutions, and its data can be used for statistical analysis of SMEs to enhance risk management by financial institutions. Business localization of Japanese firms in Asia has highlighted the need for improvements in financial infrastructure. To address this, the Bank of Japan is establishing close relations with neighboring authorities. By using our regional network, we are striving to support further growth in Asia and the region's path to becoming a global financial center.

### **Rebecca Fatima STA MARIA:** *Secretary-General, Ministry of International Trade and Industry of Malaysia, Kuala Lumpur; and General Commissioner for EXPO Milano (Discussant Panel 1)*



Rebecca Fatima Sta. Maria is the Secretary-General of the Ministry of International Trade and Industry (MITI). Prior to this appointment, she was the Deputy Secretary-General (Trade) of MITI, providing oversight for the formulation and implementation of Malaysia's international trade policies and positions. She began her career in the Administrative and Diplomatic Service in 1981 and served in various capacities in the then Ministry of Trade and Industry.

In 1988, she was seconded to the ASEAN Plant Quarantine and Training Centre as its Chief Administration and Procurement Officer. Rebecca has been involved extensively in ASEAN. In 2006, she chaired the ASEAN Senior Economic Officials Meeting (SEOM).

Currently, she is the Chair of the ASEAN High Level Task Force for Economic Integration. She is also the Vice Chair of the World Economic Forum, Global Agenda Council, South East Asia. She is a graduate of the University of Malaya with a B.A. (Hons) in English Literature. She received a Diploma in Public Administration from the National Institute of Public Administration (INTAN), Malaysia in 1981. She also has an M.S. (Counselling) from Universiti Pertanian Malaysia (now known as Universiti Putra Malaysia). After receiving her Ph.D from the University of Georgia in Athens, U.S.A., Rebecca was awarded the Malcolm Knowles Award for the best Ph.D dissertation in the field of Human Resource Development by the American Academy of Human Resource Development in 2000. She is a trustee for the MyKasih Foundation; and a member of the Board of Directors of the Emmaus Counselling Centre.

### **Lorenzo STANCA:** *Managing Partner, Mandarin Capital, Milan (Discussant Panel 2)*



Mr. Lorenzo Stanca is a Founder and Managing Partner at Mandarin Capital Management SA. Mr. Stanca joined the firm in May 2007 and is a part of the European team. Previously, he was the Head of Operative Strategies Department of SanPaolo IMI S.p.A. since 2005. He joined SanPaoloIMI from UniCredit, where he has been the Head of Economic Research and subsequently Head of Fixed Income and Forex Markets at Unicredit Banca Mobiliare. There he gained considerable experience in the research department at Credito Italiano. Mr. Stanca serves as the Chairman of the Italian Business Economists Association. He

is the Deputy Chairman at Dagong Europe. He serves as a Director of Euticals S.p.A., Dagong Global Credit Rating Co., Ltd., and Dedalus S.p.A. He was a Member of the Board of Directors at SANPAOLO IMI Fondi Chiusi SGR S.p.A. Mr. Stanca serves as President of Gruppo Economisti di Impresa. He is the Author of various papers on Economics and Finance. Mr. Stanca speaks Italian and English. He has over 25 years of experience in high profile financial institutions. Mr. Stanca holds a degree from Bocconi University.

**Than TUN:** *Chairman, Small & Medium Industrial Development Bank, (SMIDB), Yangon (Discussant Panel 1)*



Dr. Than Tun is a highly respected businessman and banker in Myanmar. He, born in Myanmar, has been the chairman of the Small & Medium Industrial Development Bank Ltd. since 2013 after serving various high level capacity from 2001 to 2013. He had a long experience in private entrepreneurship in education service and transportation sector from 1967 to 2007. He also served for the State Agricultural Marketing Board (SAMB) under the Ministry of Commerce from the time he graduated from the Yangon University until he started his own business in 1967. He played executive roles in Myanmar Anti-Narcotic Drug Association and Patheingyi Township Social Association in Myanmar. He obtained the degrees of B.A, Diplomas in Management and Administration, International Law, Ph.D in Law and Doctor of Business Administration. He received RL and HGP in Law and served as an Advocate (Legal Adviser) from 1970 on. He achieved the highest religious title conferred by the Myanmar Government for his contribution in promoting Buddhism and donating a lot of his wealth to philanthropy.

**Outline**

Financial sector in Myanmar : The supply of medium/long term funding is extremely low. The market is overly regulated by the CBM. Therefore, main problem of Myanmar SMEs: Access to finance.

Credit analysis methodology : As a consequence of the years of isolation, Myanmar banks traditionally rely on the evaluation of the collateral offered to them for making lending decisions.

SMIDB : On the move to introduce good international practice in its lending technology, supported by a Technical Assistance project of GIZ.

Permanent discussions with a number of international institutions for the broadening of our deposit base. Negotiations with JICA regarding a “Two-Step Loan” loan have progressed most. The loan will be granted to the Myanmar Government which will pass the funds on to selected Myanmar banks, including SMIDB, for on-lending to SMEs. SMIDB supports the SMEs in the country, but it is not sufficient. Nevertheless, this assistance is just like a drop in the ocean. We would like to do much more. But our sources in Myanmar are very limited. We would, therefore, highly welcome any technical and financial assistance from other international institutions as well.

Our 3 objectives are:

- Poverty alleviation
- Reduction of unemployment
- Development of the SME sector

All foreign institutions, which can follow our 3 objectives are heartily invited to join us!

**Naoyuki YOSHINO:** *Dean, Asian Development Bank Institute (ADBI), Tokyo (Speaker Panel 3)*



Naoyuki Yoshino is dean of the Asian Development Bank Institute (ADB Institute); professor emeritus of Keio University, in Tokyo, Japan; and senior adviser at the Japan Financial Services Agency's (FSA) Financial Research Center (FSA Institute). He obtained his PhD from Johns Hopkins University in 1979, where his thesis supervisor was Sir Alan Walters (who was Margaret Thatcher's economic adviser). He was a visiting scholar at the Massachusetts Institute of Technology (United States) and has been a visiting professor at various universities including the University of New South Wales (Australia), Fondation Nationale des Sciences Politiques (France), and University of Gothenburg (Sweden). He was an assistant professor at the State University of New York at Buffalo and an economics professor at Keio University from 1991 to 2014. He was appointed chair of the Financial Planning Standards Board in 2007, and also served as chairperson of the Japanese Ministry of Finance's Council on Foreign Exchange and its Fiscal System Council (Fiscal Investment and Loan Program Section). He was also a board member of the Deposit Insurance Corporation of Japan, chairperson of the Meeting of Japanese Government Bond Investors (Ministry of Finance), and was president of the Financial System Council of the Government of Japan. He was conferred honorary doctorates by the University of Gothenburg (Sweden) in 2004 and by Martin Luther University of Halle-Wittenberg (Germany) in 2013; he also received the Fukuzawa Award for his contribution to academic research in 2013.

**Abstract of ADBI Working Paper 505 “Hometown Investment Trust Funds: An Analysis of Credit Risk”**

In Asia, small and medium-sized enterprises (SMEs) account for a major share of employment and dominate the economy. Asian economies are often characterized as having bank-dominated financial

systems and underdeveloped capital markets, in particular venture capital markets. Hence, looking for new methods of financing for SMEs is crucial. Hometown investment trust funds (HIT) are a new form of financial intermediation that has now been adopted as a national strategy in Japan. In this paper, we explain the importance of SMEs in Asia and describe about HITs. We then provide a scheme for the credit rating of SMEs by employing two statistical analysis techniques, principal components analysis and cluster analysis, and applying various financial variables to 1,363 SMEs in Asia. Adoption of this comprehensive and efficient method would enable banks to group SME customers based on financial health, adjust interest rates on loans, and set lending ceilings for each group. Moreover, this method is applicable to HITs around the world.

---

*The event will take place during the week of the 'Diplomacy Festival' (Rome, 22-30 October 2015)*  
[www.festivaldelladiplomazia.it](http://www.festivaldelladiplomazia.it)