



Deutsches Institut für
Entwicklungspolitik



German Development
Institute



**Central University of Finance and Economics
(School of Finance and Centre for International Finance Studies)
InWent Capacity Building International
German Development Institute (DIE)**

**“Regional Financial and Regulatory Cooperation-
a Chinese – European Dialogue”**

Beijing, 23 - 24 September 2010

Background

China's successful coping with the effects of the financial crisis has not only shown its tremendous capacity to generate and sustain growth, but also underlined the importance of strengthened regional cooperation in East Asia. Ever since the Asian crisis of 1997-98, East Asian countries have been committed to improving regional financial architecture. China actively joined these efforts as part of the ASEAN plus 3 regional integration efforts. China's external financial policy now keeps a strong regional focus and is actively engaged in multi-lateralising the Chiang Mai Initiative for financial cooperation.

At the same time, China's external financial policy is also very engaged in global issues. China is actively involved in international cooperation efforts to create comprehensive and efficient financial market regulation and supervision. The G20 has agreed on an agenda for better regulation of financial markets and on a framework for balanced and sustainable growth, and has recently added the support of the IMF and the Financial Stability Board. Throughout the world efforts are being made to enhance sound financial regulation, however, thus far these efforts have not resulted in a set of unified standards that all countries have agreed to adhere to.

In May 2010 Europe had to overcome unprecedented challenges to its monetary integration in the Euro area. The European regional integration process that has hitherto served as a point of reference for regional integration efforts in other parts of the world reaffirmed its fundamental strength. Nevertheless, a number of policy challenges--such as the need among EU members for better coordination of national financial and economic policies--remain. With regard to the strengthening of supervision and regulation of the European financial sector, political initiatives were started during the last year, but remain to be expanded and implemented.

Against the backdrop of the uneven recovery from the global financial and economic crisis in China and Europe, this workshop seeks to discuss the ongoing initiatives for the reform of financial regulatory frameworks, as one of the key issues to hedge against future financial crises and to exchange experiences with financial and regulatory cooperation in East Asia and in Europe. The challenges to comprehensive regional financial integration efforts are to be debated against within the context of recent events in Europe and East Asia.

Conference Concept

This dialogue will provide a platform for peer-to-peer discussion between participants from China and Germany, as well as from Asian and European regional bodies and international organisations. The CUFE-InWent-DIE-dialogue will place particular emphasis on an exchange between practitioners from financial sector organisations and academics to assess public policy issues related to regional financial integration and global regulation against the findings of scientific research. Running since 2008, this dialogue is part of a series of conferences, with partners from China, India, South Africa and Mexico. The focus of the conferences is to consider country and region specific challenges of the financial sector as a starting point to debate the potential of regional financial and economic integration to counter challenges of financial stability and to promote growth. Participation will be highly selective to allow for an intensive debate and to offer quality networking opportunities. The conference will be preceded by a series of lectures given to the faculty and advanced junior researchers of CUFE to give them a chance to acquaint themselves with the current European thinking and to offer them an opportunity to feed their ideas into the debate.

Agenda

- Sept. 23, 2010** **CUFE Campus:**
School of Finance: 39 South College Road, Beijing 100081
- 14:30 – 15:10 **Welcome**
- Chair: **Liqing Zhang**, Dean, School of Finance,
Central University of Finance and
Economics (CUFE), Beijing
- Keynote: **Wei Benhua**, Advisor to the Governor, People's Bank of China (PBoC) and
Former China Director in IMF, Beijing
- 15:10 – 17:00 **Panel Discussion: The Main Challenges of the G20 Summit and
International Financial Architecture Reform**
- Panelists: **Masahiro Kawai**, Dean, Asian Development Bank Institute (ADBI), Tokyo
Keith Lui, Executive Director, Supervision of Markets, Securities and Futures
Commission, Hong Kong
Peter Wolff, Head of Department, World Economy and Development
Financing, German Development Institute (DIE), Bonn
Robert Elsen, Division International Policy, Federal Financial
Supervisory Authority (BaFin), Germany
Ulrich Volz, Senior Economist, German
Development Institute (DIE), Bonn

Q & A

Sept. 24, 2010 **Grand Hotel Beijing**
 No. 35 East Chang'an Street, Dongcheng District, Peking (Beijing) 100006

08:30 – 09:00 **Welcome and Opening Remarks**

Liqing Zhang, Dean, School of Finance, Central University of Finance and Economics (CUFE), Beijing

Hans-Peter Küppers, Deputy Head, East Asia Division, Federal Ministry of Economic Cooperation and Development, German Embassy, Beijing

Günther Taube, Head of Department Good Governance and Social Development, InWEnt – Capacity Building International, Germany

9:00 – 12:00 **Session 1: Recent Trends and Challenges Ahead for Regional Financial Cooperation in East Asia and Europe**

Chair: **Liqing Zhang**, Dean, School of Finance, Central University of Finance and Economics (CUFE), Beijing

Input 1: **"East Asian Financial Cooperation and the Role of the ASEAN+3 Macroeconomic Research Office"**
Masahiro Kawai, Dean, Asian Development Bank Institute (ADBI), Tokyo

Comment: **Ulrich Volz**, Senior Economist, German Development Institute (DIE), Bonn

Input 2: **"The Multilateralisation of the Chiang Mai Initiative"**
Zhang Ming, Deputy Director, Research Section of International Finance, Institute of World Economics and Politics, Chinese Academy of Social Sciences, Beijing

Comment: **Yunjong Wang**, Head of China Division, SK Research Institute, Beijing

Input 3: **"European Financial Cooperation in the Face of Recent Economic Developments"**
Bernd Braasch, Director, Financial Stability Department, Deutsche Bundesbank, Frankfurt

Comment: **Wang Xin**, Deputy Director General, Financial Research Institute, People's Bank of China, Beijing

Q & A

12:00 – 13:00 **Lunch**

13:00 – 16:00 **Session 2: Global Challenges to Regulation**

Chair: **Jie Li**, Assistant Professor, CAFD, Central University of Finance and Economics (CUFE), Beijing

Input 1: **"The G20-Process to Promote Global Adherence to Regulatory Standards"**
Michael Wieneke, Financial Counsellor, Embassy of the Federal Republic of Germany, Beijing

- Comment: **Keith Lui**, Executive Director, Supervision of Markets, Securities and Futures Commission, Hong Kong
- Input 2: **"China's Role in the G20-Process on Regulatory Standards"**
Zhang Xiaopu, Division Chief, Supervisory Rules and Regulations Department, China Banking Regulatory Commission (CBRC), Beijing
- Comment: **Peter Wolff**, Head of Department, World Economy and Development Financing, German Development Institute (DIE), Bonn
- Input 3: **"Reshaping the Financial Supervisory Architecture in Europe"**
Robert Elsen, Division International Policy, Federal Financial Supervisory Authority (BaFin), Germany
- Comment: **Dantao Zhu**, Division Chief and Senior Fellow, Development Research Centre of the State Council of the People's Republic of China (DRC), Beijing
- Input 4: **"The Scope for Regional Cooperation in Regulation"**
Alladin D. Rillo, Head, Economic Secretariat, Association of Southeast Asian Nations (ASEAN), Jakarta
- Comment: **Wei Benhua**, Advisor to the Governor, People's Bank of China (PBoC) and Former China Director in IMF, Beijing
- 16: 00 – 16:15 Coffee Break
- 16:15 – 16:45 **Keynote Speech: "Regional and Global Financial Cooperation: Some Implications from the Global Crisis"**
Thomas D. Willett, Horton Professor of Economics, Claremont Graduate University, Los Angeles
- Q & A
- 17:15 – 17:30 Conference Wrap up and Closing
Prof. Zhang Liqing, Dean, School of Finance, Central University for Finance and Economics (CUFE), Beijing
- 18:00 – 20:00 **Conference Dinner**