





CHINA AND INDIA: SUSTAINING HIGH QUALITY GROWTH

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The Utility and Construction of Inclusive Financial System

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Presentation

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Part 1 The Meaning of Inclusive Financial System

Inclusive Growth

2007 ADB ■ "the basic concerns and priorities of policymakers will have moved from principally eradicating absolute poverty to generating and sustaining rapid and more inclusive growth", *Toward a New Asian Development Bank in a New Asia*, 2007

* Inclusive Financial System

What's Inclusive Financial System

- A financial system adaptive to inclusive growth, namely, that can provides services to all social classes and groups, especially to the disadvantaged groups, effectively, comprehensively, and fairly.
- not only the fairness, but also the coordinated development of the financial system and economy, environment and society.





Part 2 the Basic Characteristics



Sharing the modern financial services with the disadvantaged groups, especially the small and mediumsized enterprises and the poor people



Providing a full range of financial services to all people, especially the disadvantaged groups , in a sustainable way



The ultimate goal is to realize the stable and harmonious development of society.

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Part 3 Utilities of Inclusive Financial System

Supporting the weak parts in Economy

Weak Parts in Economy

- ■the small and medium-sized enterprises
- ■the rural area

*Improving the people's well-being

People's well-being

- ■providing financial services to poorer people and farther areas
- ■equal opportunity, rather than equal result

***Balancing Finance and Real Economy**

Balanced development

- Finance and real economy should be balanced.
- ■Inclusive Financial System helps.





Part 4 Construction of Inclusive Financial System

Concept

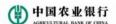
Financial institution

- Establishing the inclusive and sharing concepts
- Reducing the threshold of financial services
- Improving the financial services

Customers

- Encouraging the individuals to get rich with the financial help
- Improving the individual's sense of credit

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Part 4 Construction of Inclusive Financial System

Organization

Expanding access

expanding the access of financial institutions to poor areas

Underground finance

■ Legalizing the underground finance

Enriching organizations

 guarantee system, insurance system, industry association, technical and training organization, etc.





Part 4 Construction of Inclusive Financial System

Policy and regulation

Laws

■ Establish and perfect the relevant laws and regulations

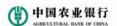
Supportin g policies

- tax reduction for the relevant financial institutions
- Fiscal support for natural disasters

Regulatio

Strengthen the coordinate among the regulating departments

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Part 4 Construction of Inclusive Financial System

Supporting Facilities

Credit reporting system

 Building the national credit reporting system, especially for the small-medium sized enterprises and individual

Collateral system

■ Establishing the Collateral institutions for the small-medium sized enterprises

Financial market

 Encouraging the financial innovation, e.g., asset securitization, to avoid risks





Thanks

