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Ensuring that the Benefits of Growth are Shared Broadly

The Utility and Construction of Inclusive Financial System

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Presentation

The Utility and Construction of Inclusive Financial System

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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 medium-sized 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.



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



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

Supporting policies

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

Regulations

- Strengthen the coordinate among the regulating departments



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