

## Empowering SMEs through Improved Financial Access: Role of SME Data, Credit Rating and Start-up Finance

14-15 March 2017  
Bangkok, Thailand

This two-day intensive workshop, comprising of interactive lectures and group discussions, brings together government officials from developing Asian countries involved in the development and financing of small and medium enterprises (SMEs), including microenterprises, in their respective countries. The objective is to build capacity of officials in designing a good SME database and credit information system, understanding SME data analysis and credit scoring models, and exploring alternative options and tools to increase capital and start-up finance for SMEs. It also aims to improve understanding of SME finance in developing Asia by promoting financial access to SMEs and start-up businesses.

Workshop participants will include senior policy makers, international experts, and representatives from multilateral banks, academia and private sector involved in the development of SME sector, fiscal policy, public finance, and SME financing.

Tuesday 14 March 2017	
9:00- 9:30	Registration
9:30-9:45	<b>Welcoming Remarks</b> Naoyuki Yoshino, Dean, ADBI Surapol Opasatein, Chief Executive Officer, National Credit Bureau Co. Ltd., Thailand
9:45-9:50	<b>Objectives of the Workshop</b> Aladdin D. Rillo, Senior Economist, ADBI
9:50-11:00	<b>Session 1: Overview: SMEs in developing Asia – new approaches to overcoming market failures</b>  In most Asian economies, SMEs, including micro enterprises, account for over 95% of all business units, about 50% to 80% of employment and over 30% of gross domestic product. Despite their economic contribution, MSMEs face many barriers in the start-up, maintenance and expansion stages. This session will provide an overview of issues facing MSMEs in developing Asia, including key challenges and risks that impact on the development of the sector, as well as the types of SME programs and policies needed to address these market failures.  Moderator: Naoyuki Yoshino, Dean, ADBI Speakers: Surapol Opasatein, Chief Executive Officer, National Credit Bureau Co. Ltd., Thailand Paul Vandenberg, Visiting Professor, Thammasat University Bokhwan Yu, Deputy Dean, ADBI

	Open Discussion
11:00-11:30	Group Photo / Coffee Break
11:30-13:00	<p><b>Session 2: Improving credit information system for SMEs – does credit database matter?</b></p> <p>One problem facing MSME financing in Asia is the lack of adequate financial and non-financial data that establishes the credit worthiness of small and medium enterprises to access traditional bank lending channels and capital markets. Collection of relevant data on loan outstanding, loan repayments and default can help establish good credit history and promote lending to MSMEs. This session will examine the role of credit information system in reducing the information asymmetries for lending to MSMEs, including issues related to the development of MSME credit risk database, credit information registries and credit bureau. In particular, good practices on data credit collection and measures to make public and private credit data available for MSMEs will be discussed.</p> <p>Moderator: Farhad Taghizadeh-Hesary, Assistant Professor, Keio University</p> <p>Speakers:  Satoshi Kuwahara, President, Credit Risk Database Association of Japan  Phadet Charaoensaivakorn, Senior Executive Vice President, National Credit Bureau Co., Ltd., Thailand  Simon Choi, Chief Executive Officer, Dagong Global Credit Rating Co. (TBC)</p> <p>Open Discussion</p>
13:00-14:00	Lunch
14:00-15:30	<p><b>Session 3: Assessing credit risks of SMEs – credit rating and methods of SME data analysis</b></p> <p>While the collection of MSME credit data is crucial, evaluating them is equally necessary to ensure that a proper risk assessment is made. Risk assessment is needed to predict the credit worthiness of MSMEs, which may entail analysis of the firm assets, liabilities, profit and loss statements and other relevant macroeconomic data; and which in turn, affects their ability to access bank loans and other lending facilities. This session will discuss various credit scoring models and methodologies based on available MSME credit data from various countries, with a view to evaluating and providing recommendations as to which model or methodology is suitable to MSMEs in Asia.</p> <p>Moderator: Phadet Charaoensaivakorn, Senior Executive Vice President, National Credit Bureau Co., Ltd., Thailand</p> <p>Speakers:  Naoyuki Yoshino, Dean, ADBI and Farhad Taghizadeh-Hesary, Assistant Professor, Keio University  Tomoyuki Miyagi, Managing Director, Financial Technology Research Institute  Simon Choi, Chief Executive Officer, Dagong Global Credit Rating Co. (TBC)</p> <p>Open Discussion</p>
15:30-16:00	Coffee Break
16:00-17:30	<b>Session 4: Country Panels I: SME finance – challenges, risks and opportunities</b>

	<p>Discussion on the key challenges and constraints faced by ASEAN countries in financing of SMEs, including key initiatives and measures implemented to address those constraints, and innovative policies and strategies (e.g., development of SME database, credit rating mechanism, and start-up finance initiatives) being developed to expand lending to SMEs. All delegations will be requested to offer their views, with resource persons also participating to guide the discussions.</p> <p>Moderator: Aladdin D. Rillo, Senior Economist, ADBI</p> <p>Speakers:  Brunei Darussalam  Indonesia  Cambodia  Malaysia  Lao PDR</p> <p>Open Discussion</p>
<b>18:00-20:00</b>	<b>Welcome Dinner hosted by ADBI and NCB (?)</b>
<b>Wednesday 15 March 2017</b>	
<b>09:00-10:30</b>	<p><b>Session 5: Case studies of SME data analysis – what does the evidence suggest so far?</b></p> <p>Discussion of detailed methodology and results of SME credit analysis using the experiences of SMEs in selected Asian countries. The aim of this session is to highlight how the collection of new credit data can be utilized as an alternative approach to determine credit worthiness of MSMEs to expand lending to small businesses.</p> <p>Moderator: Paul Vandenberg, Visiting Faculty, Thammasat University</p> <p>Speakers:  Phadet Charaoensaivakorn, Senior Executive Vice President, National Credit Bureau Co., Ltd., Thailand  Naoyuki Yoshino, Dean, ADBI and Farhad Taghizadeh-Hesary, Assistant Professor, Keio University  Karunajothi Kandasamy, Manager, Bank Negara Malaysia, and Former Deputy Chief Executive Officer, SME Corporation Malaysia</p> <p>Open Discussion</p>
<b>10:30-11:00</b>	Coffee Break
<b>11:00-12:30</b>	<p><b>Session 6: Role of credit guarantee in improving financial access to SMEs</b></p> <p>Credit guarantees are designed to bridge the gap between lending banks and borrowing MSMEs and serve as an important mechanism for addressing the collateral constraints faced by small firms and augmenting the volume of credit available to them. While guarantee schemes for MSMEs have been implemented in many countries, not all have been successful due to various factors such as design of the scheme, regulatory and supervisory system that affects the transparency of scheme, as well as the quality of government support. This session will try to examine these issues by looking at case studies of successful guarantee schemes and identifying key measures, lessons and appropriate models that can be applied MSME sector in Asia.</p> <p>Moderator: Bokhwan Yu, Deputy Dean, ADBI</p> <p>Speakers:</p>

	<p>Hiroyasu Kaburaki, Group Chief, Credit Insurance Department, SME Unit, Japan Finance Corporation</p> <p>Taehyun Lee, Deputy Director of International Affairs, Korea Credit Guarantee Fund (TBC)</p> <p>Speaker from Thai Credit Guarantee Corporation (TBC)</p> <p>Open Discussion</p>
12:30-13:30	Lunch
13:30-15:00	<p><b>Session 7: Country Panels II: SME finance – challenges, risks and opportunities</b></p> <p>Discussion on the key challenges and constraints faced by ASEAN countries in financing of SMEs, including key initiatives and measures implemented to address those constraints, and innovative policies and strategies (e.g., development of SME database, credit rating mechanism, and start-up finance initiatives) being developed to expand lending to SMEs. All delegations will be requested to offer their views, with resource persons also participating to guide the discussions.</p> <p>Moderator: Aladdin D. Rillo, Senior Economist, ADBI</p> <p>Speakers:</p> <p>Myanmar</p> <p>Philippines</p> <p>Viet Nam</p> <p>Thailand : SME Development Bank</p> <p>Open Discussion</p>
15:00-15:30	Coffee Break
15:30-16:45	<p><b>Session 8: Finance for start-ups, role of SME banks and innovative financing for SMEs</b></p> <p>Start-up finance is often challenging particularly for small businesses that rely on internal or personal funds to run their operations. This session will examine early stage innovation finance and other forms of innovative SME financing such as MSME banks, hometown investment trust fund and crowd funding and their relevance to MSME sector in Asia. It will try to reinforce discussions in previous sessions on the role of credit data analysis and start-up finance by highlighting recommendations and strategies for participants to increase their capacity to implement the policies and measures that promote the financing of small businesses and SMEs in their own countries.</p> <p>Moderator: Karunajothi Kandsamy, Manager, Bank Negara Malaysia, and Former Deputy Chief Executive Officer, SME Corporation Malaysia</p> <p>Speakers:</p> <p>Naoyuki Yoshino, Dean, ADBI</p> <p>Masami Komatsu, President, Music Securities</p> <p>Representative from SME Development Bank, Thailand (TBC)</p> <p>Open Discussion</p>
16:45-17:00	<p><b>Closing Remarks</b></p> <p>Naoyuki Yoshino, Dean, ADBI</p> <p>Phadet Charaoensaivakorn, Senior Executive Vice President, National Credit Bureau Co., Ltd., Thailand</p>