

Creating Financial Repertoires for Social Innovation

Roundtable

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Chair: Li Lingfang

Moderator: Du Ninghua, Fudan University

Pan Deng, Fudan University

**Zhang Yong
China (Shanghai)
FTZ Policy
Research Bureau**

Building Shanghai International Financial Center in the Context of Free Trade Zone: Objectives and Paths

1. Three words to summary the financial reform of free trade zone: legalization, globalization and facilitation.

2.Thoughts upon deepening the financial reform of free trade zone:

1). Internationalize and open markets as to promote the reform;

2). “Bring in” and “Go global” at the same time, take part in the Belt and Road Initiative;

3).Focus on domestic real economy, promoting new models such as Technology Bank and Micro Finance, participate in international financial system governance, and make full use of the New Development Bank;

4).Encourage innovation and allow failures, while at the same time be strict on illegal financing activities. The nature of finance will not change along with the Internet +, so special attention are needed to distinguish good from bad;

5).Make good use of the leading role of demand (consuming finance, car finance) and enhance the quality of the supply;

6). To maintain the profitability while fulfilling the social responsibility, especially its supervising role as a third party during and after incidents occurred;

7).Both to improve Lujiazui financial area and to explore management innovation, realizing the goal of governance of statutory bodies.

Ahn Choong-Yong
Korea Commission
for Corporate
Partnership

Social Finance and Inclusive Growth

- 1. Sustainable and structural slow growth of economy is a global trend.**
- 2. An important report from IMF showed that middle class and low-income class were of greater importance to the economic growth, which in turn was a great challenge both politically and economically.**
- 3. To solve the New Normal and the growing inequity of income, many countries has carried out inclusive growth mode, which I believe can ensure the recovery and sustainability of economy.**
- 4. Social finance functions to bring equality for vulnerable groups, especially those in poverty.**

Philipp Krüger
University of
Geneva

Finance and Social Economy

- 1.Social Economy: Social Innovation and Social Enterprises:**
 Social enterprises constitute a great part of social economy, which has the goal of pursuing profit, but at the same time they also have the responsibility to improve our living environment.
- 2.A framework for Social Innovation: The UN Sustainable Development Goals (SDGs)**
- 3.Impact Investing as a financial repertoire for social innovation:**
 While pursuing the goal of financial innovation, corporations have to take the SDGs into consideration.

Lee Jegoo
Stonehill College

Blending Market and Community: A Case of Community Reinvestment Act

- 1. Corporate Responsibility: definition and myths;**
- 2.The process of achieving strategic corporate responsibility by commercial banks:**
 - 1). Compliance;**
 - 2). Social Impact: Designing Social Innovation in line with Community Needs;**
 - 3). Corporate Performance: Achieving Positive Returns;**
- 3. Corporate Responsibility:**
- 4. Community Reinvestment Act:**
 “M” banks illustrate what social responsibility of enterprise is, and they utilize their advantages to build the power, which contains regulation, social impact and virtuous cycle.

Park Chang-Gyun
Chung-Ang
University

View from the Traditional Market

1.Impact Investment:

Investment targets at social enterprise, social venture, social projects, etc.

2.Social Progress Credit (SPC)

- 1). We believe that SPC can solve the problem of unbalanced information and thus attract more social corporate investors.
- 2). We are considering of building a multi-layer social funds. Its basic idea is to attract investors of different goals and help them to achieve different goals.

Xu Duoqi
Shanghai Jiao
Tong University

Equity Crowd Funding and Good Society

1.Current situation:

Crowd funding lacks official supervisory regulation in China and special attention needs to be paid on the revealing of information.

2.How to address the issue:

- 1). Forceful protection for investors
- 2). Financing party needs to be remitted moderately
- 3). Supervision on the qualification and obligation of the crowd-funding platform

Zhu Xiaobin
China Social
Enterprise and
Social
Investment
Forum(CSESIF)

Chinese Social Enterprise and Social Investment

1.Analysis on the current situation of industry:

A lack of entrepreneurship leads to the current dilemma of Chinese social corporates.

2. Social entrepreneurs matters more than capital:

Social entrepreneurs are those who possess real entrepreneurship, leadership and business managing capability, and their ultimate goal is to solve social problems. They make profit by adopting professional methods and develop their organization in a sustainable way. Such entrepreneurs, and not the capital, is what we need in China.

Sun Tao Alibaba Finance	Inclusive Finance and Internet Consumption 1.To combine hi-techs with Internet finance Financial development can be achieved by mobile Internet, big data and cloud computing. 2.Internet sales: Two factors affecting online sales: the increase of personal income and the development of infrastructures such as the Internet and smart phones, both promoted consumption in China.
Park Jae-Hong “JUMP” an SE in Korea	The Role of Social Progress Credit in Facilitating Capital Inflow to Social Economic Sector 1. Current situation: Education inequality causes social instability. 2. Form a virtuous cycle to solve the problem: We need to support kids from poor families to help them finish their studies. After they graduate from school, some of them will work as teachers and assistants, which in turn can be helpful for the next generation who come from poor families. In this way, a virtuous cycle can be formed.
Kim Sang-Joon SK/Ewha Womans University	Ecological Aspects of Patient Capital Two paths visible in the developing stage: 1. Activism. First, we focus on sustainability and then we expand our boundary. With some patient capital being produced, we could increase the following part. 2. Focus on diversity first and sustainability next. This is the “new fashion” which can be regarded as structural fashion. With time passing by, patient capital can be obtained and gradually become stronger.

(Editor:Yang Xi)