



# 36th ABA

General Meeting and Conference

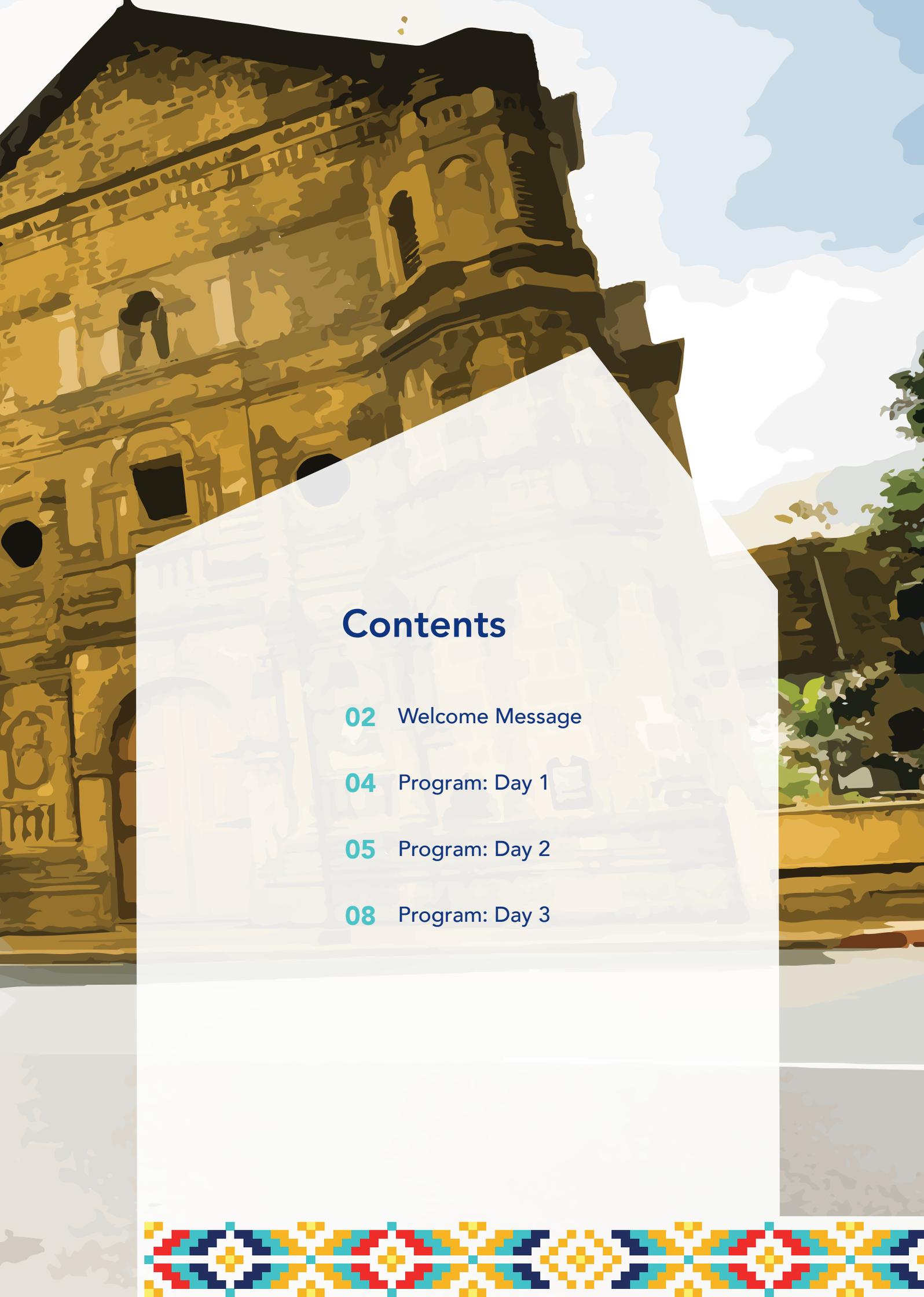
14 - 15 November 2019

Makati Shangri-La Hotel, Philippines

# Reshaping the Asian Financial Landscape







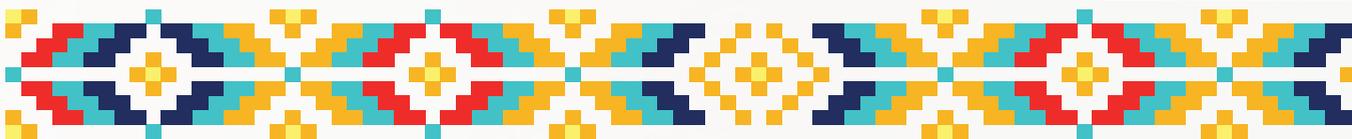
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# Message from the Asian Bankers Association

**JONATHAN ALLES**

Chairman, Asian Bankers Association



I am pleased to extend my sincerest invitation to all ABA member banks, associates and friends to join me and other members of the ABA Board of Directors for the 36th ABA General Meeting and Conference scheduled to take place on 14-15 November 2019 in Makati City, Philippines.

It is with great anticipation that I look forward to this year's gathering since it will be the first Conference I will be attending in my capacity as ABA Chairman. I am also excited that our annual Conference this year will be held in the Philippines, not only because it will be hosted once again by the Philippine National Bank – 24 years after the Bank organized it for the first time – but also because of the business opportunities offered by strong economic performance shown by the country over the past years.

As you may know, the Philippines is currently one of Asia's fastest growing economies. Today, it ranks as the world's 34th largest economy. According to the 2017 estimate of the IMF statistics, it is the 13th largest economy in Asia, the 3rd largest economy in the ASEAN after Indonesia and Thailand, and is the sixth richest in Southeast Asia by GDP per capita value. The country has been named as one of the Tiger Cub Economies and is projected to be the 5th largest in Asia and 16th biggest in the world by 2050. PricewaterhouseCoopers estimates that it will be the 12th to 14th richest economy in the world by 2060.

We are therefore pleased that the Philippine National Bank has offered to host this year's annual gathering of the ABA. It will provide us the opportunity not only to gain first-hand information on the current economic situation in the country and the prospects for continued growth of its banking and financial sector, but also to learn from the various presentations to be made during the Conference. Focusing on the theme "Reshaping the Asian Financial Landscape", the two-day event is designed to provide another valuable platform for ABA members to exchange views with invited experts on: (a) current trends and developments in the regional and global markets that are expected to have a significant impact on the banking and financial sector of the region, and (b) how industry players can address the challenges - and take full advantage of the opportunities - presented by these developments.

It is, therefore, my ardent hope that you will come to Makati City, Philippines and participate in this year's Conference. With your support of the upcoming event - as well as future ones - I am confident the ABA will play an even more dominant role in the region's banking community and continue to serve as the ideal forum for advancing the interest of our members.

I hope to see you all in Makati!



# Message from Philippine National Bank

**Wick A. Veloso**

President and CEO, Philippine National Bank

Philippine National Bank is proud to host the 36th ABA General Meeting and Conference in Manila, our second time since 1995. It is our honor to accept the opportunity to bring this conference to the Philippines on November 14 to 15, as we hope that this upcoming meeting will promote the exchange of ideas among bankers from various parts of the Asia-Pacific region.

This year's theme is "Reshaping the Asian Financial Landscape." For PNB, the upcoming discussions will be a good source of input as the Bank continues to build its businesses and pursue safe and aggressive growth.

It is remarkable how the banking and financial industry has undergone significant changes – a result of geopolitical issues, the rise and fall of economic performances, and the existence of new business models such as financial technology companies and start-up businesses. It is worth noting how the ABA has remained resilient through the years, as shown by the initiatives the alliance has created to strengthen regional economic cooperation.

The ABA annual conferences have been an effective platform for exchange of information and ideas as the meetings bring together top Asian bankers and our key shareholders from around the region. PNB fully supports ABA as it encourages trade, industrial, and investment cooperation in the region.

As we move forward to respond to the evolving needs of our stakeholders, our aim is to equip the Association with a strong foundation of understanding and collaboration to foster regional development.

We hope you'll find the time to enjoy your brief stay in the Philippines.

Maraming salamat!

# PROGRAM

## Day 1

14 November 2019, Thursday  
Arrival of Delegates/ Registration

- |             |   |   |
|-------------|---|---|
| 08:00-18:00 |    | <b>Registration</b>   |
| 09:00-12:00 |    | <b>"Discover ABA" Session</b><br>This session will feature special country presentations by the host bank and selected member banks and Knowledge Partners of the ABA on current economic and banking and financial sector conditions in their respective countries and opportunities for business and investments, or on special programs, projects, products or services that have benefited their members or the community they serve and may be adapted by member banks from other countries. |
| 12:00-13:30 |    | <b>Lunch</b>  |
| 13:30-15:00 |    | <b>Host Bank Special Session</b><br>This special session will be organized by the Philippine National Bank, as host organization and will feature invited speakers who will share their views on issues of current interest to the banking industry   |
| 15:00-15:15 |  | <b>Coffee Break</b>   |
| 15:15-17:15 |  | <b>Special Presentations</b><br>Experts from Knowledge Partners and associates of the Asian Bankers Association will be invited to make presentations on topics of special interest to members.   |
| 15:15-17:15 |  | <b>Meeting of the ABA Policy Advocacy Committee</b>   |
| 16:00-17:00 |  | <b>Advisory Council Meeting</b><br>(Open only to Members of the Advisory Council)   |
| 17:30-18:30 |  | <b>57th ABA Board of Directors' Meeting</b><br>(Open only to Members of the ABA Board of Directors)   |
| 19:00-21:30 |  | <b>Welcome Cocktails/Dinner</b>   |

# PROGRAM

## Day 2

15 November 2019, Friday

### 36th ABA GENERAL MEETING AND CONFERENCE

#### THEME:

## RESHAPING THE ASIAN FINANCIAL LANDSCAPE

Recent economic and geopolitical developments in the regional and international arena and the continued proliferation of new financial technologies and start-ups are expected to cause financial systems across Asia to undergo significant transformation in the years ahead. This year's Conference will examine how current developments in the global and regional markets will impact on the outlook of the Asian economies and the region's banking and financial sector; the economic consequences of the Brexit and the ongoing trade war between major economies on the Asian region and its financial landscape; the implications for Asian banks of the rapid adoption of new financial technologies; and the impact of the so-called FinTech revolution on the customer experience, on other stockholders, and on the regulatory environment.

08:00		<b>Registration</b>
08:30-10:00		<b>Opening Ceremony</b> <ul style="list-style-type: none"><li>• Welcome Remarks by Mr. Wick A. Veloso, President and CEO, Philippine National Bank</li><li>• Welcome Statement by Mr. Jonathan Alles, Chairman, Asian Bankers Association and Managing Director and CEO, Hatton National Bank</li><li>• Special Address by a High-Ranking Government Official from the Philippines</li><li>• Presentation by a Keynote Speaker</li></ul>
10:00-10:15		<b>Coffee Break</b>
10:00-10:30		<b>Press Conference</b>
10:15-11:30		<b>Plenary Session One: Global Economic Outlook What Lies Ahead of Asian Banks</b> <p>According to the latest report of the World Bank Group, global growth is expected to slow to 2.9% in 2019. International trade and investment are moderating, trade tensions remain elevated, and financing conditions are tightening. Amid recent episodes of financial stress, growth in emerging market and developing economies has lost momentum and is projected to stall at 4.2% this year, with a weaker-than-expected rebound in commodity exporters accompanied by deceleration in commodity importers. Downside risks have become more acute. Financial market pressures and trade tensions could escalate, denting global activity.</p>

# PROGRAM

## Day 2

15 November 2019, Friday

Meanwhile, the latest ADB Report projects growth in developing Asia to soften to 5.7% in 2019 and 5.6% in 2020. Excluding Asia's high-income newly industrialized economies, growth is expected to slip from 6.4% in 2018 to 6.2% in 2019 and 6.1% in 2020. In light of stable commodity prices, inflation is anticipated to remain subdued at 2.5% in both 2019 and 2020. The ADB sees risks to remain tilted to the downside. A drawn-out or deteriorating trade conflict between China and the United States could undermine investment and growth in developing Asia. With various uncertainties stemming from US fiscal policy and a possible disorderly Brexit, growth in the advanced economies could turn out slower than expected, undermining the outlook for China and other economies in the region.

This session will examine key factors shaping the global economy in the year ahead, the risks and opportunities offered by these factors, and what their implications are for banks and their business strategies.

11:30-12:45



### **Plenary Session Two: Financial Inclusion: Banking the MSMEs**

In the rapidly changing Asian economic environment, micro and small and medium enterprises (MSMEs) are acknowledged to be crucial for the growth and development of every country in Asia, both developing and developed. Every year in Asia, over 20 million micro and small businesses are emerging, with each one having fewer than five employees.

Providing financial services, solutions and products to the MSME sector offers a big business opportunity to banks and financial institutions in Asia. Achieving business sustainability of the next generation of banking depends on how fast the banking industry assess the financial needs of this sector and how rapidly they can evolve the appropriate products and solutions. The next generation of young entrepreneurs – including women - would emerge from the MSME sector. The technology-savvy young entrepreneurs would enrich the banks in the future, if the banking and finance solutions are made available, accessible and affordable at micro, small and medium levels.

This session will examine how banks can harness technology for deeper and wider financial inclusion, how the banking industry can capture the opportunity offered by blossoming needs of young technology savvy entrepreneurs in the MSME sector with their innovative ideas and business solutions, how governments in the region can put in place much-needed legal framework and regulatory mechanisms to facilitate the empowerment of MSMEs, and how, in light of the huge potential offered by the MSME sector to the future of the banking industry in Asia, banks need to initiate more holistic and inclusive institutional linkages and partnerships to make MSMEs commercially sustainable and bank ready for long journey with the banks.

# PROGRAM

## Day 2

15 November 2019, Friday

12:45-14:15



**Lunch**

14:15-15:30



**Plenary Session Three: Is Asia Ready to Go Cashless?**

Asia's rapidly rising Internet and smartphone penetration means that cashless solutions will make a significant impact on the region's financial ecosystem. With the proliferation of mobile options, Asia with its digitally savvy population and high proportion of millennials is increasingly replacing wallets with smartphones. This has allowed countries in the region to leapfrog from cash to digital payments, bypassing traditional banking and helping many to gain access to financial services for the first time.

This session will feature speakers who will share their views on the benefits of this trend and their implications for society and investment opportunities (in terms, for instance, of better customer experiences, higher operational efficiency for businesses, and financial inclusion of previous un- and underbanked people) on one hand, and the costs which should not be overlooked such as the loss of privacy and the risk of fraud of cybercrime, on the other; what governments in the region are currently doing to enable them to rapidly advance towards the use of electronic cash as part of their pursuit of a digital economy; and whether Asia is ready to become a truly cashless society in the foreseeable future.

15:30-15:45



**Coffee Break**

15:45-17:00



**Plenary Session Four: Role of the Regulator in Developing an Effective Digital Ecosystem**

The digital revolution is transforming the competitive landscape in financial services, with both processes and products undergoing digitalization. In Asia, the rise of digital banking has been attributed to the presence of a much stronger ecosystem to enable digital banking, which includes the rapid increases in Internet and smartphone adoption and growth in e-commerce, resulting in the demand for digital banking moving from early adopters to a broad range of customers. Digital banking has provided multiple delivery channels for the service industry, improving the efficiency of operations and reducing the cost of doing business.

While digital banking can yield a number of benefits from big data analysis for customers and new business opportunities for banks, the dependence on technology for providing the services with the necessary security and the cross-border nature of transactions, involve additional risks for banks and new challenges for banking regulators and supervisors.

# PROGRAM

## Day 2

15 November 2019, Friday

This session will examine various issues resulting from the development of digital banking and how they are currently being addressed by the banking sector and, more importantly, by regulatory and supervisory authorities. Discussions will, among others, focus on the issue of how financial regulators can encourage financial innovation while containing the risks associated with these new technologies, ensuring to continually set in place regulations that strike a balance between rapid change, consumer protection, and financial stability; as well as on the need to expand the current set of reforms and increase regional and international collaboration as risks become more cross-border in nature.

17:00-17:45



**36th ABA General Meeting Proper**  
ABA Chairman's Report

18:30



**Farewell Dinner**

# PROGRAM

## Day 3

16 November 2019, Saturday

Half-day Optional Tour  
Departure of delegates

# Weaving, A Filipino Heritage



# About the Philippines

The Philippines is the third largest English speaking country in the world. It has a rich history combining Asian, European, and American influences. Prior to Spanish colonization in 1521, the Filipinos had a rich culture and were trading with the Chinese and the Japanese. Spain's colonization brought about the construction of Intramuros in 1571, a "Walled City" comprised of European buildings and churches, replicated in different parts of the archipelago. In 1898, after 350 years and 300 rebellions, the Filipinos, with leaders like Jose Rizal and Emilio Aguinaldo, succeeded in winning their independence.

In 1898, the Philippines became the first and only colony of the United States in Asia. Following the Philippine-American War, the United States brought widespread education to the islands. Filipinos fought alongside Americans during World War II, particularly at the famous battle of Bataan and Corregidor which delayed Japanese advance and saved Australia. They then waged a guerilla war against the Japanese from 1941 to 1945. The Philippines regained its independence in 1946.

Filipinos are a freedom-loving people, having waged two peaceful, bloodless revolutions against what were perceived as corrupt regimes. The Philippines is a vibrant democracy, as evidenced by 12 English national newspapers, 7 national television stations, hundreds of cable TV stations, and 2,000 radio stations.

Filipinos are a fun-loving people. Throughout the islands, there are fiestas celebrated everyday and foreign guests are always welcome to their homes.

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