

Asian Bankers Association

Newsletter

December 2022

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New Year's Message from the ABA Chairman

ABA to Hold Strategic Planning Meeting



The incoming year promises better prospects for all sectors following three years of profound and complex challenges brought about by the pandemic. As we begin to turn the corner from the adverse impact of the prolonged health crisis, members of the banking industry must now focus on re-tooling both themselves and their customers to attain a strong recovery and rebuild for the future.

I strongly believe that bankers associations such as the ABA will have a role to play in helping their members address the challenges before us, and in strengthening our effort to emerge from the pandemic environment to the so-called new normal. Indeed, the importance of networking to encourage greater interaction among our members and other bankers in the Asian region will be crucial to enable us to go forward. I therefore hope that the Strategic Planning Meeting that we plan to convene in 2023 will help us further strengthen the ABA to enable it to survive – and thrive - in a rapidly changing market environment.

In Chinese astrology, 2023 is the Year of the Rabbit, which is a symbol of longevity, peace and prosperity in Chinese culture. It also symbolizes patience and luck, which would mean that the year of the Rabbit will bring what we have lacked in 2022: peace and success. In other words, 2023 is predicted to be a year of hope.

I therefore wish you the best of health, continued prosperity and greater success in 2023!

EUGENE S. ACEVEDO
ABA Chairman



ABA Announcements

ABA Issues 2022 Year-End Review



The ABA issued its 2022 Year-End Review which summarizes the activities undertaken by the Association during the year.

In its introductory chapter, the Review echoed what ABA Chairman Mr. Eugene Acevedo pointed in his Opening Remarks at this year's 38th ABA Conference held in early November 2022: That the year 2022 has remained challenging for many economies worldwide, and that for banks in particular,

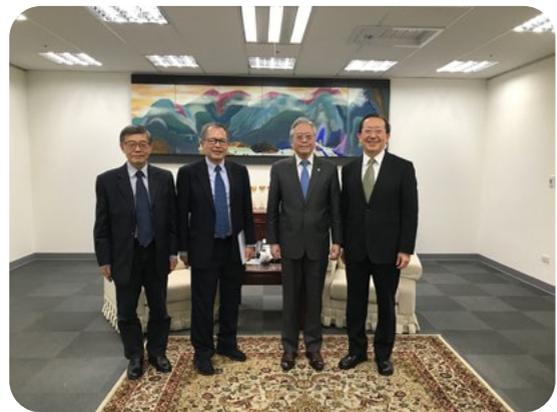
the pandemic has generated multifaceted crises that continued to threaten the performance, survival, and growth of banks in many developing countries, particularly in those where banks play a dominant role in the economy.

Hence, the activities undertaken by the ABA in 2022 were designed to help member banks become increasingly digitalized and to provide them the opportunity to examine how various challenges and trend they are seeing today are coming together to influence the future of banking. As ABA member banks prepare for 2023, they must be more conscious of how to keep their customers on digital platforms after the pandemic, and how they themselves can achieve the human touch and a greater personalized service through digital channels.

To request for a copy of the 2022 Year-End Review, please write to teresaliu@aba.org.tw.

ABA Secretariat Calls on Chairman of Taipei Cooperative Bank

ABA Secretariat Officers led by Secretary-Treasurer Mr. David Hsu (rightmost) paid a courtesy call on Dr. Paul C. D. Lei, Chairman of the Taiwan Cooperative Bank (TCB) and Chairman of Taiwan Cooperative Financial Holdings (2nd from right) on December 6 at the TCB headquarters in Taipei. During the meeting, Dr. Lei assured Dr. Hsu of the continued strong support of TCB for the ABA and a more active participation in the activities of the Association. He also offered the Bank's assistance in providing the necessary expertise and resources for the training programs and other projects that may be undertaken by the ABA for the benefit of its member banks.



News Updates

Google Wallet Now Available in Vietnam, Thailand and Malaysia



Google Wallet has now been extended to three more Southeast Asian countries including Vietnam, Thailand and Malaysia.

The eWallet service is now available in 57 countries in total allowing users to pay for transportation and products in supported stores. Google has also partnered with ticketing companies,

such as Thaiticketmajor in Thailand, to allow users to add event tickets to their wallets.

Additionally, Google joined hands with airlines, including AirAsia and China Air, allowing boarding passes to be saved in Google Wallet. Currently, Google Pixel Watch, Fitbit Sense 2 and Versa 4 also supports the Google wallet

News Update

now for quick and secure payments. According to the e-Conomy SEA 2022 report, Southeast Asia's digital economy's expected to reach US\$200 billion in gross merchandise value. The report also predicts digital financial services to overtake ecommerce as the region's top sector for investments.

"When we launched Google Wallet earlier this year, we

wanted to give as many people as possible access to a secure digital wallet. So today we're bringing it to 12 more countries, making Wallet available in 57 countries total" commented Google Wallet Vice President and General Manager, Jenny Cheng.

East & Partners

Special Features

Settlement Risk Key Concern for FX Markets - Triennial BIS Central Bank Survey

As key FX participants sift through the results of the latest Bank for International Settlements (BIS) triennial FX survey, settlement risk is highlighted as a major driver of business FX decision making.

Turnover in over-the-counter (OTC) FX markets averaged US\$7.5 trillion per day in April 2022 according to the latest triennial survey by the BIS, an increase of 14 percent from its April 2019 survey. The lift in volumes was chiefly attributed to inter-dealer volumes as opposed to customer activity. FX Options accounted for four percent of global turnover, down from five percent three years ago.

The period of data collection coincided with heightened volatility due to changing expectations about the path of future interest rates in advanced economies, rising commodity prices and geopolitical tensions after the Russian invasion of Ukraine. It is also possible that the actual figure was even higher, since pandemic restrictions were in place in several reporting jurisdictions including China and Hong Kong.

EuroMoney conducted interviews with major stakeholders on their opinions regarding implications of the key findings.

"There has been a particularly noticeable jump in

renminbi trading, which has increased by more than 50 percent since 2019. This has amplified the need for on-demand settlement to reduce the possibility of a trade moving against a counterparty and impacting their ability to settle. The trading volume poses important questions about settlement risk, specifically the growth in trading in non-CLS settled currencies" commented Baton Systems President Jerome Kemp,

"Chaos in the FX markets made the decision to hedge risk relatively easy. King dollar was mostly a one-way trade this year, but there were a few times when traders were confident that the peak in the dollar was in place. Companies can't afford to risk their profits playing the FX market, so currency risk management has been a top priority" stated Oanda Senior Market Analyst, Ed Moya.

"The difficulty with FX options really comes down to the US regulatory landscape, which treats OTC FX options as swaps under Dodd-Frank. This means that only an 'eligible contract participant' can trade them and generally only a registered swap dealer can serve as a market maker" said StoneX Group Global Head of Institutional FX, Eric Donovan.

East & Partners

2023 Global Macro Outlook: Inflation Peaks, Growth Slows

2023 is likely to see weaker growth, less inflation and the end of rate hikes, with the U.S. narrowly missing a recession, Europe contracting and Asia offering green shoots for growth.

With excessive post-COVID consumer demand, bloated retail inventories and the battle against inflation continuing to weigh on growth in 2023, Morgan Stanley believes global GDP growth will top out at just 2.2%, narrowly

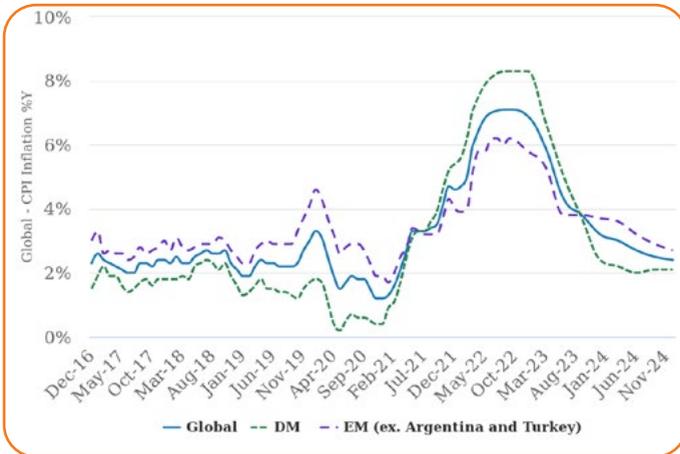
defying recession, but lower than the 3% growth expected for 2022.

The good news: Global inflation is set to peak in the fourth quarter of 2022. In fact slowing demand, price discounts due to elevated inventories and declining housing prices, among other factors, will help temper inflation, which should in turn prompt major central banks to pause and assess their recent historic string of rate rises.

Other key takeaways for the global economy going into 2023:

- U.S. economy will tread water with 0.5% growth.
- Economies in Europe and the U.K. are likely to contract.
- Emerging market economies should recover modestly.

Special Features



Source: Haver Analytics, Morgan Stanley Research forecasts

Certainly, the interplay of inflation and central-bank intervention will ultimately shape the story of economic growth for 2023.

“The last 12 months have seen the fastest increase in the Federal funds rate since 1981, and the fastest increase in European Central Bank (ECB) rates since the establishment of the Eurozone,” says Seth B. Carpenter, Morgan Stanley’s Chief Global Economist. “But as consumer goods’ supply chains recover and labor markets see less friction, we could see a sharper and broader fall in inflation, which would imply a somewhat easier path for policy and higher growth globally.”

While there are few big surprises in our 2023 outlook, there is plenty of nuance. As always, the story varies by region, in some ways dramatically. In contrast to forecasts for Western economies, Asia could offer green shoots for growth, particularly in India, and emerging market economies could further benefit as the Fed finds its peak rate and the dollar eases.

U.S.: A Soft Landing and Tepid Recovery

All eyes are on U.S. consumer prices—which are currently up 8.2% year-over-year but on a path to be up by just 2.4% YoY by the end of 2023.

The combination of slowing growth and cooling inflation is likely to prompt the Fed to curb its rate hiking. “We expect the target range to reach a peak of 4.5% to 4.75% by January 2023, hold at that level through 2023 and then decline steadily throughout 2024,” says Ellen Zentner, Chief U.S. Economist. In this scenario, the U.S. economy should experience a soft landing and a tepid rebound versus the current prevailing view of a hard landing and faster recovery.

Moreover, Zentner adds, although the Fed has been lightening its balance sheet by not replacing maturing government bonds, such as Treasuries and mortgage-backed securities, “we do not expect active sales. The housing market has already turned down, so selling mortgage-backed securities risks being overkill.”

In the labor market, Morgan Stanley believes that while companies have slowed hiring, lean payrolls and difficulty in filling skilled positions argue against widespread layoffs in 2023. Net job gains have slowed markedly over the year and, together

with a modest rise in labor force participation, will likely result in a slightly higher (but relatively healthy) unemployment rate of 4.3% in late 2023.

Morgan Stanley expects global economic growth of 3% for 2022 and 2.2% for 2023.

	GDP (%) 2022	GDP (%) 2023E MS	GDP (%) 2023E Cons	GDP (%) 2024E MS	GDP (%) 2024E Cons
Global	3.0	2.2	2.4	2.7	3.0
G10	2.6	0.3	0.3	1.1	1.5
US	1.9	0.5	0.2	0.9	1.5
Euro Area	3.3	-0.2	-0.1	0.9	1.6
Japan	1.5	1.2	1.3	1.6	1.1
UK	4.4	-1.5	-0.8	0.5	0.9
EM	3.3	3.7	3.9	3.9	4.1
China	3.2	5.0	4.9	4.4	4.8
India	6.8	6.2	7.0	6.4	5.9
Brazil	2.8	1.2	0.6	1.5	1.7

Source: Bloomberg, Haver Analytics, Morgan Stanley Research forecasts

Euro Area and U.K.: A Tougher Road Ahead

Morgan Stanley expects the euro area economy to contract 0.2% in 2023 on the back of the ongoing energy crisis and tightening monetary policy. Inflation—which surged to an unprecedented annual rate of 10.7% in October 2022 — is expected to remain well above target for the remainder of 2022 as well as 2023.

“We think the European Central Bank, driven by inflation concerns, will hike rates to 2.5% in the first quarter of 2023 before it begins cutting rates in early 2024,” says Jens Eisenschmidt, Chief Europe Economist. Morgan Stanley predicts GDP in the euro region will post 0.9% GDP growth in 2024, compared with the consensus estimate of 1.6%.

On the positive side, the region’s unemployment is at a record 6.6% low, employment and hours worked are above late 2019 levels and labor market participation is higher than it was before the energy crisis. Although labor markets may weaken, the increase in unemployment may be modest.

Meanwhile, the U.K. economy grew 7.5% and estimated 4.2% in 2021 and 2022 respectively. Now, largely because of double-digit inflation, that’s slated to decline -1.5% in 2023, the greatest economic deceleration of any major economy, except for Russia. The Bank of England is thus likely to end its rate hikes at 4% and follow the Fed in cutting in early 2024.

“The ongoing hit to real disposable income will continue to weigh on consumer spending, with elevated economic uncertainty prompting people to hold onto their savings,” says Chief U.K. Economist Bruna Skarica. Additionally, a spike in mortgages rates will likely cause a sharp decline in sales of residential real estate.

Special Features

Asia: An Optimistic Outlook

Asia's outlook for the year ahead is relatively upbeat, with three of the world's largest economies helping to lead the way. Here's a look at what's ahead in the region:

- In China, recovering private consumption could lead the economy to a modest recovery next year. "We're forecasting 5% growth in 2023, with most of that coming in the second half of the year, when the economy is expected to fully reopen following the repeal of Covid-zero policies early in the year," says Chief China Economist Robin Xing. This represents a significant improvement on our forecast of 3.2% growth for China in 2022, which is a sharp decline relative to average growth over the last decade.
- In Japan, a well-developed economy and aging population have kept growth relatively tame even in the best global macro environments. To that end, Morgan Stanley's forecast of 1.2% GDP growth for 2023 is a positive, despite being below consensus. "Households have significant excess cash and

deposits that should support growth next year," says Chief Japan Economist Takeshi Yamaguchi.

- In India, the real outlier, GDP is on track to expand 6.2% in 2023 and 6.4% in 2024, while three megatrends, underpinned by the country's advanced digital infrastructure, are putting India on a path to surpass Japan and Germany and become the world's third-largest economy by 2027. "India has the conditions in place for an economic boom, fueled by offshoring, investments in manufacturing and energy transition," says Chief India Economist Upasana Chachra.

This strength isn't limited to Asia's largest economies. Many countries in the region are poised for growth in the year ahead—and that could prove positive for the rest of the world economy. Rapid normalization in Asia could lift many tides: bolstering export demand in Europe; improving supply chains and, in turn, offering an antidote to inflation; and allowing emerging markets to break out of a cycle dominated by the strength on the U.S. dollar.

Morgan Stanley

Digitization Could Finally Transform Japan's Economy

By John West, Executive Director of the Asian Century Institute



Hanko name stamp designs are displayed in the Sano Inbo hanko shop on October 21, 2020 in Tokyo, Japan. Traditional hanko stamps are still in use in Japan instead of e-signatures.

Japan is well-known as a high-tech country. It is, after all, the home of bullet trains, robots and computer games. But there is another side of the story: low-tech Japan.

While most of the world communicates by email, our Japanese friends are still hooked on fax machines. While the rest of us use electronic signatures, the ancient tradition of personal red seal stamps ("hanko") persists in Japan. And cash still dominates consumer purchases to the great surprise

of foreign visitors, especially from China whose large cities are increasingly cashless.

COVID Exposed Japan's Low-Tech Approach

A recent report from the OECD pointed out that in Japan "the pandemic revealed weaknesses as households, firms and government struggled to make use of digital technologies." Throughout the COVID-19 waves, colleagues of mine in Tokyo rushed to the office, in crowded trains, to pick up faxes or to stamp documents.

In a country where the government has played a leading role in economic development, government use of digital tools is astonishingly low. The OECD reports that less than 10% of individuals use the internet to submit filled forms to public authorities' websites, compared with 30%, on average, for the G-7 countries. It's remarkable to see walls upon walls of paper filing systems in my university's offices.

Many countries fear that digitization will cause their workforces to be replaced by robots and other technologies. But Japan is in a unique — and fortunate — situation. Rather than putting people out of work, digitization could fill labor shortages in the aging economy and give some new momentum to the economy.

Japan's Aging Population

Japan has led the world in aging due to low fertility

and rising life expectancy. Japan's fertility rate, currently around 1.4 children per woman, has been below 2.1, the rate at which the population replaces itself over time, since 1975. As a result, Japan's working age population has been declining since 1995, and its total population could fall from today's 125 million to 75 million by the end of the century.

Naturally, less workers means a weaker economy, and in recent decades, Japan's economic growth has only averaged about 1% annually, while life expectancy has leapt from 68 in 1960 to 85 years today. This exerts an enormous weight on the government budget and the economy, as Japan now has the highest old-age dependency ratio of all OECD countries.

Social spending has caused Japan's government debt to balloon to around 250% of GDP, the highest of all OECD countries.

Higher Economic Growth

COVID-19 spurred the adoption of new technologies in Japan. Breaking with the past, growing numbers of Japanese "salarymen" (and increasingly, "salarywomen") have been working online part of the week from home.

This could signal the beginning of a performance-based work culture and a welcome end to Japan's hidebound corporate and bureaucratic ideologies. Electronic commerce is up, with more consumers buying online. Online learning, once a rarity in Japan, is now sweeping through its education sector. Conferences are frequently held by Zoom, exposing Japan's traditionally insular academic sector to the world.

This digital adaptation in the context of COVID-19 is just a beginning. But it has the potential to accelerate and move Japan onto a higher economic growth trajectory.

A highly educated workforce is key to success in digitization, and Japan ranks very highly in international league tables for education. For example, 15-year-old Japanese students scored particularly well for science, mathematics and, to a lesser extent, reading in the latest OECD's Program for International Student Assessment (PISA).

Low Levels of English

However, the OECD reports that Japanese students' digital skills are weak because of insufficient focus on new technology in school curricula. Moreover, relatively few Japanese students study STEM (science, technology, engineering and maths) disciplines, particularly women and girls. Japan will need to better develop education for digital skills to reap the potential rewards of digitization.

Retraining workers is also another imperative, especially as a growing number of seniors are remaining in the workforce and women are returning to paid employment after raising a family. Greater efforts are also necessary to provide

digital retraining opportunities to "nonstandard employment" (such as casual or short-term work), as they are all too often excluded from in-house retraining.

Countries like the U.S., the U.K. and Australia have shown that skilled migration can also be a motor for digitization of the economy. And despite its reputation for a closed society, over the past three decades, the number of foreign residents in Japan has tripled to almost 3 million (2.3% of the total population).

In recent years, Japan has been attracting a growing number of migrants, including from India, to fill skill gaps, notably in the IT sector, with approximately 40,000 Indians currently living in Japan.

But the capacity of Japan to profit from this development is hindered by lingering anti-migrant sentiments and poor English language skills — Japan's population is judged to have "low proficiency" in English, ranking 78 out of the 112 countries in the EF English Proficiency Index, conducted by Education First, a global education company founded in 1965. Japan's education must place greater emphasis on improving its language skills and cross-cultural sensitivities.

A Great Opportunity for the Country

Somewhat surprisingly, digitization in Japan's private sector is a mixed bag. The use of digital technologies in large manufacturing enterprises is among the most advanced worldwide. But in smaller enterprises and the services sector, it is quite a different story. Investments in IT resources are often lacking, while weak business dynamism hinders the diffusion of new technologies and management methods.

The government has created a "Digital Agency" to help create impetus for other parts of government. This is critical as the machinery of government plays an important and growing role in citizens' lives. Seniors, in this aging society, are in regular contact with public agencies for their social security and medical and long-term care. And in this natural disaster-plagued country, citizens need to be hooked into government information and assistance services, especially in the current context of COVID-19.

Digital transformation represents one of Japan's greatest opportunities and challenges. Digitization could help bring under control Japan's enormous public debt and lift its flagging productivity which is 20% below the OECD average.

As the Lowy Institute Asia Power Index highlights, Japan has been losing ground relative to China and now falls just short of the major power threshold of the index. Digitization provides a pathway to improving both Japan's economic and military capabilities and thus strengthening its comprehensive power.

Brink News

Among Member Banks

BEA Expects Economic Recovery for Mainland and Hong Kong in 2023



The Bank of East Asia, Limited (“BEA” or the “Bank”) expects both the Mainland China and Hong Kong economies to recover in 2023, growing at around 5.2% and 3.5% respectively.

Mr Ricky Choi, Chief Economist at BEA, said: “Although the Mainland economy has been plagued by the pandemic, real estate market corrections, and external uncertainties since the beginning of 2022, the outlook has turned more optimistic towards the end of the year. The optimisation of pandemic prevention and control measures, supports for the property market by Mainland financial authorities, coupled with initiatives to promote high-quality economic development in the medium and long term, could help restore consumer and investor confidence and drive the economic recovery from a low base.”

Mainland China’s Economy:

- Expected to grow 3.5% and 5.2% in 2022 and 2023 respectively, with modest inflationary pressure of approximately 2.3% and 2.2%.
- Mainland authorities are further optimising measures to prevent and control the pandemic and stabilise the real estate market to alleviate the downward pressure on the economy. Meanwhile, Mainland authorities will continue to support the economy through both fiscal and monetary measures to reduce the financial pressure on enterprises, restore consumer confidence, and support infrastructure investment.
- In the medium to long term, the Mainland will pursue the dual circulation strategy to facilitate the development of its economy, focusing on the domestic market and improving innovative capacity, while remaining open to the rest of the world.

Commenting on the Hong Kong economy, Mr Choi said: “If the pandemic continues to stabilise, its negative impact on Hong Kong will gradually subside. The full recovery of the economy, however, still depends on the timing of quarantine-free travel with the Mainland and global economic development. Overall, Hong Kong’s economic performance is expected to improve in 2023.”

Hong Kong’s Economy:

- Hong Kong’s economy shrunk by 3.3% year-on-year in the first three quarters of 2022. Economic performance is affected by the pandemic, rapidly tightening global monetary condition, rising geopolitical tensions, and weakening global demand, with full-year economic growth expected to contract by around 3%.
- GDP is expected to grow at around 3.5% in 2023.
- Unemployment rate is expected to decline to an average of 3.2% in 2023.
- Despite elevating global inflation, domestic cost

pressure will remain modest, with consumer price inflation expected to be 1.9% in both 2022 and 2023.

- In the face of uncertainties such as the pandemic, geopolitical tensions, and changing monetary policies, it is expected that Hong Kong’s residential property prices will drop by around 11% and 5% in 2022 and 2023 respectively.

Interest Rate Outlook:

- In the face of elevated inflation, the Federal Reserve (Fed) has raised rates by a total of 3.75% since the beginning of this year. The Fed is expected to further raise rates to better contain the inflationary pressure.
- The Fed is expected to raise another 0.5% in its December meeting and further increase its rate in the two meetings in Q1 2023, bringing the Fed funds rate to around 5.00%. The Fed will then wait and see before deciding on its next move based on the latest inflation and economic data.
- Hong Kong has entered into a new interest rate hike cycle, but the pace of the Hong Kong dollar rate hike still lags that of the US dollar. Banks in Hong Kong are expected to raise at least another 0.25% after the Fed’s December meeting and to follow its US counterpart in 2023.

BEA News

SBI savings account minimum balance 2022, penalty, interest rate, calculator, closing charges



With effect from August 2020, the SBI has removed the minimum saving account balance penalty for all savings bank account holders.

State Bank of India (SBI) is the largest public-sector bank and caters to almost all Indians. The SBI has over 40 crore customers including government servants. State Bank has made changes in its policy and charges for the saving account holders were removed in 2020. These included Surabhi SB accounts (excluding all Salary Package accounts), No Frill Accounts, Basic Savings Bank Deposit, Small & PMJDY a/cs, Pehla Kadam and Pehli Udaan accounts, Minors up to the age group of 18, Pensioners of all categories, Recipients of social security welfare benefits (Direct Benefits) and students up to the age of 21 years.

With effect from August 2020, the SBI has removed the minimum saving account balance penalty for all savings bank account holders. This includes all three kinds of accounts - Urban, semi-urban and rural branches. The average minimum balance for Metro & Urban Centre branches was Rs 3000 and Rs 2000 for semi-urban centre branches while that for rural branches was Rs 1000.

The SBI Saving Account interest rate for deposits below Rs 10 crore stands at 2.7% and 3% for accounts with

Among Member Banks

deposits over Rs 10 crore. So, suppose if your bank account has Rs 5 lakh, you will earn an interest of Rs 1,125 per month.

If you have a savings account with the State Bank of India and you want to close it, you can do it by visiting the SBI branch. If a savings account is closed within 14 days of opening, the bank levies no charge for closing the account. However, if

the account is closed after 14 days and before 1 year of opening of the account, a charge of Rs 500 is collected from the customer. If the account is more than one year old, no closing charge is imposed.

Zee News

Bank Pasargad as " Bank of the Year-Iran" for 2022

For the eighth year, Bank Pasargad was named as the Bank of the Year in Iran for the Year 2022 by The Banker magazine.

Bank Pasargad was also selected by The Banker as the Islamic Bank of the Year 2022 of Iran in last summer.

On the basis of comprehensive appraisals of the financial indicators by The Banker, the Bank won the highest position in the Middle East in terms of Return on Capital (ROC) and Return on Asset (ROA) with ratios of 61.89% and 4.35% respectively. The 182-step climb from 502 in the year 2021 to 320 in the year 2022's ranking of top 1000 world banks also



placed Bank Pasargad in the second place among the highest mover banks.

In Bank of the Year appraisal process, financial indicators such as Tier-1 Capital and its changes, Total Assets, Net Profit, Return on Equity, Cost-to-Income ratio, Debt Repayment Capacity and NPL ratio are analyzed and examined. In addition, non-financial indicators such as the Bank's strategic initiatives to create a competitive advantage, its innovative new /relaunched/upgraded products and services, which has given the Bank a competitive advantage in the market, its efforts to develop new businesses, measures taken in the fields of financial and banking technologies (Fintech) and new investments to expand services are considered thoroughly.

MUFG Bank to invest in space business



MUFG Bank Ltd. plans to invest in Space One Co., which is engaged in launching small rockets, it has been learned.

The bank aims to expand its partnerships with companies that collect and analyze data obtained from satellites and strengthen its space-related business.

Space One was established in 2018 as a joint venture with firms including Canon Electronics Inc. and Shimizu Corp. It has Japan's first private rocket launch site in Wakayama Prefecture, and is moving forward with plans to begin launch operations during fiscal 2022 and to launch 20 rockets per year by the mid-2020s.

MUFG Bank will underwrite a third-party allocation of new shares worth approximately ¥500 million to be conducted by Space One. MUFG Bank's stake in Space One is expected to be less than 5%.

Starting with this investment, MUFG Bank intends to accelerate its business investments and alliances with space

business-related companies. MUFG Bank is also considering using the data collected by satellites, such as on greenhouse gas emissions and forest carbon dioxide absorption, in its core business of providing investment and financing decisions and advice to companies.

Competition in the space business is intensifying around the world, especially in the U.S. and China. Japan has lagged behind in the development of small rockets that can be launched at a low cost and in the construction of launch sites.

According to a survey by the U.S. investment bank Morgan Stanley, the size of the global space-related business market is expected to grow from \$350 billion (about ¥47 trillion) in 2020 to \$1 trillion (about ¥135 trillion) in 2040.

In April of this year, MUFG Bank established a new department to invest in companies with promising technologies and know-how and to foster the industry. It remains to be seen whether MUFG Bank will be able to lead the industrialization of the space field, taking advantage of its strength as a megabank that has many large corporations as clients.

The Japan Times

Among Member Banks

Mizuho signs sustainability-linked loan agreement with AEON Credit

Mizuho Bank, Ltd. (President & CEO: Masahiko Kato) provided support for the establishment of a sustainability-linked loan framework and executed a loan for AEON Credit Service (Asia) Company Limited (Managing Director: Tomoharu Fukayama), a consolidated subsidiary of AEON Financial Services, Inc. (President and CEO: Kenji Fujita). This is the first sustainable finance transaction for any company within the AEON Financial Service Group.

Sustainability-linked loans incentivize a borrower to achieve sustainability performance targets (SPTs) by setting targets aligned with the borrower's CSR strategy and linking loan terms such as the interest rate to the borrower's performance



against the SPTs. This type of loan aims to encourage economic activity and support economic growth in a way that is sustainable for both the environment and society. The SPTs stipulated under this agreement include: (1) Reduce electricity power usage; (2) Reduce paper usage; and (3) Provide financial incentives to students. The achievement of these targets is incentivized by aligning interest rate terms with the borrower's performance.

At Mizuho, we are working to further incorporate sustainability initiatives into our business strategy. We are drawing on our expertise as a financial services group to proactively provide a wide range of solutions, including advisory and capital financing support, to businesses that are contributing to the shift to a low-carbon society.

Mizuho News

SMBC Issues Green Bonds

Sumitomo Mitsui Banking Corporation ("SMBC," President and CEO: Makoto Takashima) hereby announces the issuance of two series of green bonds in the Japanese domestic market as of December 22, 2022. This is an issuance of foreign currency denominated green bonds targeted at Japanese retail investors. The use of the net proceeds is to finance qualifying environmentally-related projects ("Eligible Green Projects") such as renewable energy generation and



energy efficiency. The two series of green bonds are designed to align with the International Capital Market Association (ICMA) Green Bond Principles 2021 and the Green Bond Guidelines 2022 established by Japan's Ministry of the Environment. SMBC Group sets "Environment", "Community" and "Next Generation" as priority issues (materiality) to have particular focus on its activities upon sustainability. SMBC Group strives to further contribute to the sustainability and improvement of the global environment through this green bond issuance.

SMBC News

Maybank focuses on green financing

Maybank Group has mobilised a total of RM28.6bil in green financing, more than half of its RM50bil goal by 2025.

CEO, Maybank Investment Banking Group Michael Oh-Lau said of this, RM21.94bil was mobilised to the non-retail sector of which over 60% was for green buildings.

"And another RM6.65bil was mobilised to the retail sector, of which close to half was earmarked for affordable housing," he said at the Penang Green Finance Conference on December 14, 2022.

Oh-Lau said the RM50bil sustainable or green financing goal is slightly less than 10% of the group's total gross loans as at Sept 30.

He said 2021 was a watershed year for Maybank in its goal of becoming a regional environmental, social and



governance leader by 2025.

He also said the lender is working with governments and state enterprises to connect capital markets with their domestic sustainability development goals.

"A most recent example is the landmark green bond issuance for Singapore's Housing & Development Board where we acted as the joint lead manager and joint bookrunner.

"We were the primary distribution bank for the government of Malaysia's landmark Sukuk Prihatin, the first war-bond like sukuk which was issued during the pandemic.

"On the small medium enterprise front, we actively support them by providing cheaper financing to help them transition to low carbon and sustainable business operations," Oh-Lau said.

He said the bank does this by "actively participating" in the Low Carbon Transition Fund, an initiative developed by Bank Negara.

The Star

Among Member Banks

Bank of Maldives Enables Authenticator Apps for Online Banking



BANK OF MALDIVES

Bank of Maldives has enabled authenticator apps to generate One Time Passwords (OTPs) for all transactions processed via Internet and Mobile Banking.

An authenticator is an application installed on a smartphone or tablet to create a unique, time sensitive code every 30 seconds. The authenticator app can be activated on Internet or Mobile Banking and is unique to each individual customer.

With the announcement today, customers can now download and activate an authenticator such as Google Authenticator or Microsoft Authenticator to generate unique OTPs to authorize transactions. Once activated, the Authenticator will be listed as an OTP option for transactions.

BML's CEO, Karl Stumke commented, "Email accounts are often compromised in scam cases and as a result, OTPs

sent to emails are accessed by scammers to make unauthorized transactions from customer accounts. With the introduction of authenticator apps, our customers now have an additional layer of security in their banking transactions, even if an email account has been compromised. Scams evolve over time and while we will continue our efforts to protect our customers, we urge everyone to be aware of scam tactics and never share personal information with anyone.

In addition to enabling authenticators, from today, personal banking customers will also receive real-time notifications to the Mobile Banking app for all account related transactions.

From 20th December 2022, email will not be available as a default OTP channel. Customers who wish to keep email as an OTP channel can enable email OTP after a verification process.

Bank of Maldives News

Maldive Islamic Bank New Hulhumale' Branch Inauguration



Maldive Islamic Bank

In line with the Bank's strategic focus to enhance customer service, improve accessibility and convenience, Maldive Islamic Bank has today officially inaugurated the new Hulhumale' Branch and its ATM centre at One Avenue, Fithuroanu Magu, Hulhumale'. The new premises was inaugurated by the Governor of the Maldive Monetary Authority (MMA), Mr. Ali Hashim in a ceremony held this evening.

"In the continued development of Hulhumale' towards the residential, commercial hub of the Maldive, we are dedicated to expanding and facilitating Banking convenience in the Greater Male' Region by this newly opened branch and our alternative distribution channels through ATM network, POS terminals and other digital banking services" said Mufaddal Idrees Khumri, Managing Director and Chief Executive Officer of Maldive Islamic Bank.

Commenting on the opening of the Hulhumale' Branch, Governor of MMA, Mr. Ali Hashim highlighted on the long journey since the inception of first Islamic banking and financial institution in Maldive and its role in providing an alternative to conventional banking and financing.

In the event held today to mark opening of the new branch facility, MIB also launched a Hajj Savings Account, a new deposit product tailor made to cater to individuals intending to save money to fulfil Hajj pilgrimage. Mr. Mufaddal Idrees Khumri, MD & CEO of Maldive Islamic Bank, remarked on the launch of Hajj savings account stating, "As the nation's first and only full-fledged Islamic Bank, we are privileged to inspire and facilitate our customers to fulfil an important pillar of our faith".

Maldive Islamic Bank currently facilitates community of the Hulhumale' via the new branch and 3 ATM facilities at different locations.

Maldive Islamic Bank News

Philippine National Bank recognized at the Asia Corporate Excellence



PNB

Philippine National Bank (PNB) was awarded by Asia Corporate Excellence and Sustainability Awards (ACES) as one of Asia's Most Influential Companies during the recent ACES Awards 2022 Ceremony and Gala Dinner held in Kuala Lumpur, Malaysia.

PNB President Florido P. Casuela said "This award validates PNB's initiatives to make sustainability an important contributor to our success and longevity. We are humbled by this recognition and we will continue to meet the needs of our clients, employees, and stakeholders through innovation and offering the best customer experience."

For more than a hundred years, PNB has established

itself as a Bangko ng Bayan (Bank of the People) – a stable, reliable, and service-oriented financial institution serving generations of Filipinos anytime, anywhere in the world.

The award is given to companies that show genuine interest in the well-being of its stakeholders through corporate social responsibility initiatives that are integrated into policies and operations, with a high level of employee and top management involvement on community engagement, environment, and social empowerment programs.

ACES is one of the award programs that recognize sustainability advocates across key industries in Asia. The award honors resilient and forward-thinking companies with strong influence over people, resources, and global interactions.

PNB News

Among Member Banks

RCBC spins-off trust and investment group

YUCHENGCO holding company House of Investments (HI) and banking arm Rizal Commercial Banking Corp. (RCBC), in separate disclosures to the Philippine Stock Exchange today, announced the spinoff of RCBC's trust and investment group into a separate corporation, as per the Bangko Sentral ng Pilipinas' guidelines as stipulated in the manual of regulations for non-banking institutions.



The company will be known as RCBC Trust Corp., and shall begin operations once it has complied with all registration and regulatory requirements from the pertinent government agencies concerned. Both HI and RCBC did not disclose what the stake of each company will be in the new corporation but this will be the subject of future disclosures, on both their parts, once the details have been finalized.

RCBC's board also approved a cash dividend for the bank's convertible preferred shares at P0.14068 per share. The dividend is payable to all stockholders on record as of Dec. 21, 2022 and payable within five working days from the record date.

RCBC posted a nine-month net income of P4.0 billion at the end of September 2022, down by 11.3 percent year on year, due to higher loan-loss provisioning. This was an increase of 38.6 percent compared to the same period last year.

Bank president Eugene Acevedo remains optimistic about RCBC's performance up to the end of 2022 as the bank continues its recovery from the disruption caused by the pandemic. Acevedo said the bank continues to strengthen its balance sheet and diversify its revenue streams as the economy returns to normal.

The Manila Times

Doha Bank gets Visa award for successful launch of Qatar Airways Privilege Club credit card



Visa has recognised and awarded Doha Bank for the successful launch of Qatar Airways Privilege Club Visa credit card by Doha Bank.

For the first time ever, Doha Bank has proven itself as a pioneer in the industry by providing Privilege Club cardholders with the ability to collect Avios in their everyday spending.

The card offers one of the fastest and most rewarding Avios earning proposition with first-of-its-kind features in the banking industry of Qatar. Benefits, such as tier fast-track to Gold membership, bonus Avios on signup, first flight bonus Avios, and double Avios on Qatar Airways website and mobile app purchases, make the card the first choice for travellers.

The features are in addition to exclusive travel and lifestyle benefits, such as access to Oryx Lounge at Hamad International Airport and over 1,000 airport lounges worldwide, 24/7 concierge, and meet and greet services. Additionally, complimentary valet parking, complimentary access to premium fitness gyms, buy-1-get-1 free movie tickets at VOX and Novo Cinemas, multi-trip travel insurance, and more are available.

Braik Ali H S al-Marri, chief retail banking officer at

Doha Bank, said: "We have always taken pride in launching products and services, which are a class apart, and Visa recognising our efforts and awarding us on the successful launch of the Qatar Airways co-brand Visa credit card reaffirms our commitment to our customers, to our payments partner, Visa, and more importantly our airline partner Qatar Airways for making this a truly unique product."

Dr Sudheer Nair, Visa country manager for Qatar, said: "We're delighted to present Doha Bank with this award recognising the successful launch of their Qatar Airways Privilege Club Visa credit card.

The card brings an enhanced proposition matching cardholders' travel needs while offering access to our more than 100mn merchant partners worldwide and protection of Visa's global, secure network.

This year, Doha Bank received numerous awards in recognition of its achievements. Doha Bank was adjudged 'Best Digital Wallet APP in Qatar' by Global Business Review Magazine, 'Most Innovative Banking Brand Qatar', 'Best Bank for Credit Card Qatar' by Global Brand Awards, and 'Most Socially Responsible Commercial Bank Qatar' by World Business Outlook Awards, among others.

Gulf Times

International Bank for Economic Co-Operation (IBEC) continues to support the real sector of the Russian economy



IBEC provided trade related facility to a new client, the Polyplast Group of Companies, in a total amount of up to 1 billion rubles.

Polyplast is Russia's largest manufacturer of industrial chemical products: high-tech modifying, functional, technological components and additives for key industries. The products of the companies can significantly improve the properties of building materials, paints and varnishes, metal products, detergents and are used, among other things, for the construction of the most important infrastructure projects in the

Russian Federation, implemented in severe weather conditions, for the production of building mixtures, adhesives. By decision of the Ministry of Industry and Trade of the Russian Federation, the Polyplast Group of Companies is included in the list of systemically important companies of the Russian Federation.

IBEC's borrowers are the Group's three main plants located in the Sverdlovsk, Tula and Leningrad regions. The term of the line is 24 months, the term of tranches is up to 12 months. IBEC lending is aimed at facilitating the trading activities of factories, developing export supplies, and, taking into account the purpose of the products produced, at ensuring rational consumption and production patterns.

IBEC News

Among Member Banks

DBS Bank, J.P. Morgan partner to develop retirement proposition customers in Singapore



DBS Bank (DBS) and J.P. Morgan Asset Management (JPMAM)

have partnered to develop a personalised retirement proposition for five million DBS/POSB customers in Singapore.

Under the memorandum of understanding, DBS and JPMAM agreed to develop the proposition, which will comprise a retirement glidepath portfolio that will be integrated in the bank's DBS NAV Planner.

"To mitigate longevity and inflation concerns, we need to have a holistic view of our cash flow projections and clarity on how they can be systematically paid out during retirement," Jeremy Soo, Head of Consumer Banking Group (Singapore),

DBS Bank, said.

"This enables us to avoid two possible extremes – underspending, which impacts quality of life during retirement, and overspending, which could lead to us outliving our nest egg."

According to the DBS, the DBS NAV Planner will assess customer's retirement adequacy and project future needs through its "Map Your Money" function.

A personalised retirement glidepath portfolio will then be generated, which customers may consider investing in.

This will also allow customers to monitor the performance of their portfolio solutions digitally and make adjustments according to their investment preferences.

Singapore Business Review

HNB hailed as one of Sri Lanka's most Women Friendly Workplaces



Celebrating efforts made to uplift and empower women in the workplace, Sri Lanka's premier private sector bank HNB PLC was recognized as offering one of the nation's best working cultures for women at the Second Edition of the Women Friendly Workplace Awards 2022 (WFWA).

A joint initiative pioneered by Satyn Magazine and Chartered Institute of Management Accountants (CIMA) Sri Lanka. The WFWA showcases Sri Lankan corporates that take the lead in creating a fair and even playing field for women to achieve their highest potential in the workplace.

"Sri Lanka's women have always played an iconic role in our society, contributing immense economic value, and providing leadership at every level. As a nation, it is more important than ever to ensure that women are given equal respect and opportunity in the workplace. We are honored to have received this important recognition, which is a validation of our efforts to create workplaces that empower women, and encourage them to achieve their fullest potential," HNB Deputy General Manager, Chief Human Resources Officer and Chief Transformation Officer, L. Chiranthi Cooray stated.

Diversity and inclusion are essential components of HNB's HR strategy, as evidenced by the bank's near even male-to-female ratio of 52:48, while internal research conducted by the bank across executives, managers and senior management

roles has found that women and men working in the same pay-grades are evenly remunerated.

The bank also enforces a zero-tolerance policy on sexual discrimination and harassment, while women are well represented in all employment grades, including its Board of Directors. Over the recent past, the bank has also implemented several additional measures to encourage greater female participation in its workforce, including introduction of family-sensitive transfers, mobility and remote work policies.

Similarly, 380 leaders were provided with a unique 'Women in Management' development program run by HNB Talent Centre. The bank also offers extensive support in order to encourage work-life balance for all employees and especially among new mothers. As a result, almost 100% of all HNB employees have chosen to return to work after taking maternity leave.

WFWA, jointly pioneered by Satyn Magazine and Chartered Institute of Management Accountants (CIMA) Sri Lanka, held its inaugural award ceremony in 2021 and has garnered great interest among corporates ever since. With a mission to recognize corporate workplace cultures that uplift women and work towards their inclusive growth, WFWA continues to support organizations to inculcate diversity, inclusivity and women empowerment within its sustainable growth strategy in creating an equitable workplace culture.

HNB News

Among Member Banks

Bank of Taiwan's Taiwan Pay receives Taiwan Financial Award's "Best Mobile Payment Company for Consumers" Excellence Award



Taiwan Pay has been well recognized by the market. According to a report by Wealth Magazine, "Taiwan Pay" won the Consumer Satisfaction Excellence Award in the Survey on Best Mobile Payment Company of the "2022 Taiwan Financial Award".

According to the statistics, as of the end of September 2022, the cumulative card number of Taiwan Pay exceeded 7.81 million, the cumulative number of authorized stores exceeded 240,000, and the cumulative annual transaction amount was NT\$205.6 billion.

Bank of Taiwan has spared no effort in promoting Taiwan Pay. Among the many financial institutions participating in Taiwan Pay, it has won the first place in bill promotion and the second place in the number of transactions as of the third quarter of 2022, achieving a remarkable performance.

According to the important information disclosure on electronic payment accounts released by the Banking Bureau

of the FSC, as of the end of September 2022, the total number of users of the three major domestic electronic payment institutions, including Jkopy Co. Ltd., iPASS Corporation and EasyCard Corporation did not exceed 6 million people, with the transaction amount (including the actual transaction amount of agency collection and payment services and the amount of domestic and foreign small amount remittance) less than NT\$80 billion, indicating Taiwan Pay's leading position in the market share of the mobile payment market.

Under the promotion of the government and each financial institution, Taiwan Pay has been built as a "national mobile payment" with a large number of users and scenarios, providing people with a comprehensive payment experience in food, clothing, housing, transportation, education and entertainment.

This award has increased the visibility of Taiwan Pay in the payment market. Taiwan Pay will also continue to play an important role as a leader in the future to accelerate the common use of mobile payment in Taiwan and provide consumers with better services in line with various policy objectives.

Bank of Taiwan News

SinoPac aims to maintain 60 percent dividend ratio



SinoPac Financial Holdings

Co aims to maintain its dividend payout ratio at 60 percent next year as it is on track to post stable profit growth this year, the company told an investors' conference in Taipei on December 8.

The company's net profit for the first three quarters of this year rose 1.1 percent year-on-year to a record NT\$12.93 billion (US\$421.4 million), while many of its local peers reported double-digit percentage point drops in profit due to sluggish insurance business performance.

"We will strive to keep our payout ratio at 60 percent next year, as we know investors value companies with a stable cash dividend yield," SinoPac Financial president Stanley Chu said.

The company plans to distribute cash and stock dividends next year, chief financial officer Kerry Hsu said.

With retained earnings of NT\$26.4 billion as of the end of September, as well as capital adequacy ratio and double leverage ratio standing at 117 percent and 113 percent

respectively, the company is confident that it would gain approval from the Financial Supervisory Commission for its planned dividend payouts in 2023, Hsu said.

The company plans to inject capital of NT\$10 billion into Bank SinoPac to bolster the banking arm's financial profile and expand its business scale, Chu said, adding that he expects the bank to earn more interest income in 2023.

The capital injection is expected to be completed by the end of March 2023 the company said.

In the first three quarters, Bank SinoPac's net profit grew 33 percent annually to NT\$12.07 billion as increases in interest income offset declines in net fee income amid shrinking wealth management and credit card businesses.

The bank's net interest margin rose 10 basis points from a quarter earlier to 1.29 percent at the end of September, while its loans expanded 9.1 percent in the first three quarters, faster than deposits, which rose less than 1 percent during the same period, it said.

Taipei Times

Among Member Banks

Cathay Financial affiliate buys 20% stake in Family Mart Taiwan

An investment company affiliated to the Cathay Financial Group bought an interest of close to 20% in the Taiwan operations of convenience store chain Family Mart for NT\$8 billion (US\$265.24 million), reports said December 14.

The transaction was the result of a legal dispute involving the food group Taisun Enterprise, UDN reported. Taiwan FamilyMart Co., Ltd. announced Wednesday afternoon that 19.3979% of its shares originally held by Taisun had been



bought by Wanbao Development Co., Ltd., per Radio Taiwan International (RTI).

Wanbao was described as a major shareholder in Cathay Financial Holdings, the group chaired by Tsai Hong-tu, one of Taiwan's wealthiest business people.

The transaction officially took place Dec. 5, and its aim was long-term investment, the retailer said. Family Mart and Cathay Financial already cooperate, since many of the convenience stores are equipped with Cathay United Bank ATMs.

Taiwan News

CTBC wins Elite banking awards

CTBC Financial Holding Co and CTBC Bank



Co on Friday December 16 won seven awards at the Taiwan Banking and Finance Elite Awards ceremony in recognition of their efforts in innovating financial products and services, setting a record by winning in all of the categories they competed in.

This is another great honor CTBC has received this year after winning more than 280 awards at home and abroad, along with more than 110 patents approved, showing that CTBC not only has excellent business performance, but also strives to give back to society.

Organized by the Taiwan Academy of Banking and Finance, the biennial Elite Awards are widely regarded as the financial industry's Oscars in Taiwan.

A total of 129 projects from 53 financial institutions entered this year's competition, which went through rounds of reviews and examinations before the winners were selected.

In this year's 11th Elite Awards ceremony, CTBC Bank was presented with "Best Green Finance Award," "Best Wealth Management Award," "Best Institution Trust Finance Award," "Best Digital Banking Award" and "Best Risk Management Award."

In addition, CTBC Bank also won "Excellence Award in Consumer Banking," while CTBC Financial was presented with "Excellence Award in Environmental, Social and Governance" in the general finance category.

The organizer said that CTBC has moved from being a product-oriented company to a client-oriented one, and has continued to launch digital financial services that take into account convenience and agile security transaction controls.

The results have been outstanding, and CTBC is the biggest winner of this year's Elite Awards, the organizer said.

In response to digital needs and climate change risks in the post-pandemic era, CTBC makes good use of technology and data, combined with sustainable goals, to significantly improve the effectiveness and efficiency of risk management, the organizer said.

The company also follows market trends to seek innovation and change, works to safeguard shareholders' interests, fulfills corporate social responsibilities and offers a full range of professional trust services with outstanding results, it said.

The Elite Awards recognize the most outstanding financial institutions in Taiwan, CTBC Financial president James Chen said.

As CTBC set a record by winning seven major awards this year, Chen thanked the event's organizer and said the accolade has proven CTBC's leading position in the nation's financial industry.

Chen said that winning the awards was in line with the company's core business development, from retail banking, trust business, digital finance, risk management to green financing, in compliance with government policies, as well as environmental, social and governance concepts.

Chen said CTBC approved relief loans to 280,000 people during the COVID-19 pandemic through its digital financial services, which helped contribute to social stability.

In the high-asset business promoted by the government to attract returning capital from abroad, CTBC has also achieved a leading position in the market.

The company is also a member of the "Coalition of Movers and Shakers on Sustainable Finance," which was established on Sept. 5 to set standards of best practices for net zero transformation.

Taipei Times

Among Member Banks

Land Bank Recognized with Two TCSA Taiwan Corporate Sustainable Awards for Success in Promoting ESG



Taiwan Institute for Sustainable Energy (TAISE) held 2022 the 15th Taiwan Corporate Sustainability Award Ceremony at the Grand Hotel in Taipei the morning of Nov 16th. The Land Bank of Taiwan (Land Bank) was awarded the Silver Award in the Sustainability Reporting category and the Leadership in Social Inclusion Award in the Sustainability Performance Evaluations, with the Land Bank achieving better results than the previous year. This further serves as a widespread recognition of the Land Bank's efforts in promoting ESG.

The Bank's ESG Blueprint is being jointly developed and promoted from the top down to actively implement sustainable development goals. To further drive actions in line with ESG principles, in April 2021, the Land Bank established the Corporate Sustainable Development Committee, which consists of six working groups: Sustainable Finance, Customer Rights, Employee Care, Corporate Governance, Environmental Sustainability, and Social Engagement.

This is the first time that the Land Bank has won the "Social Inclusion Leadership Award", which demonstrates the commendable achievements and the best honor of the Bank's efforts in nurturing grassroots athletes in badminton and tennis, nurturing gold medalists during the 2020 Tokyo Olympics, and assisting underprivileged groups in finance, actively promoting financial inclusion and fostering social inclusion.

In recent years, the Bank has continued to develop a wide range of financial products to promote financial inclusion,

in addition to creating diversified financial trust services for an aging society. For example, the "Social Welfare Elder Care Trust", the "Social Welfare Public Welfare Elder Care Trust", the "Social Housing and Aging-Friendly Property Rental Entrustment Elder Care Trust", the "Insurance Advance Benefit Trust for Elder Care", and the "Insurance Pre-Employment Pension Trust", etc., were launched by Land Bank in partnership with industry partners. In terms of insurance, the Land Bank is also actively promoting Small Amount Life Insurance and Microinsurance products to provide financial security for the elderly or economically disadvantaged groups. Furthermore, the Bank fully cooperates with the government to promote annuity reforms, long-term care system and elderly housing policies, such as by offering loans for the elderly to provide the necessary financial resources for the elderly care, thus actively fostering social inclusion.

In the pursuit of sustainable development, the Land Bank has always adhered to the philosophy of "cultivating the land with love and affection" and the motto of "giving back to society what is taken", actively deepening the Bank's business foundation while leveraging the bank's formidable resources and financial influence to create a happy and inclusive society. This has led to widespread recognition of the Land Bank from all walks of life for its efforts to deepen ESG in all aspects. In the future, the Land Bank will continue to internalize the concept of sustainability into the DNA of our corporate culture, fulfill our corporate social responsibility, promote social inclusion, and implement the promotion of sustainable development.

Land Bank of Taiwan News

Fubon's "Digital Transformation Blueprint for Financial Security" is a pioneer in Taiwan's financial industry



According to the 2021 National Risk Assessment Report released by the Executive Yuan, the amount of fraud crimes in Taiwan has reached more than NT\$70 billion, and according to the information of the Criminal Investigation Bureau, National Police Agency, Ministry of the Interior, more than 90% of the fraud amount is carried out through financial institutions.

If financial institutions can effectively alert and deter fraud, it will effectively reduce the success rate of fraud. For this reason, Fubon Financial Holdings is the first in Taiwan's financial industry to put forward the "Digital Transformation Blueprint for Financial Security" on December 8th, promising to deeply cultivate in four major strategies: inclusive of diversified technology applications, continuous forward-looking investment, expansion of cooperation between the public and private sectors, and cultivation of high-quality financial security talents in the next three years, hoping to encourage Taiwan's financial industry to fully engage in financial security issues.

Richard M. Tsai, Chairman of Fubon Financial

Holdings, said that Fubon has been deeply cultivating in Taiwan for more than 60 years, and as we move forward to the next 60 years, we hope that Fubon will become the leader in sustainable operation, to this end, we reshape our ESG goals for the next five years, with decarbonization, digitalization, empowerment and connection as the four strategic axes, in the "digitalization" strategy, we hope to combine the application of various latest technologies to provide more convenient and safe financial services for the society and the public.

In the "empowerment" strategy, it is hoped that Fubon will guide the industry through the power of finance and continuously expand Fubon's positive influence on Taiwan's environment and society. In recent years, fraud has become the most serious social issue, and the financial institutions, as gatekeepers on the last mile of fraud prevention, have an unshirkable responsibility to protect people's assets! To this end, Fubon Financial Holdings pioneered Taiwan's financial industry and proposed the "Digital Transformation Blueprint for Financial Security" to declare Fubon's determination to defend the "financial security" of the people.

Taipei Fubon Bank News

Among Member Banks

Bangkok Bank organizes the Bualuang SME Fair 2022

Bangkok Bank will organize the Bualuang SME Fair 2022 which will feature a variety of products at attractive prices, including consumer products, home decorations and gifts from 70 Bualuang SME Club members. Taking place in front of Bangkok Bank's head office on Silom Road on December 16, 2022, the fair reinforces the Bank's commitment as a trusted partner to help stimulate year-end spending.

The 70 booths covering almost all types of consumer products, such as electrical appliances from Verasu, bedding sets from PASAYA and Spring Mate, luggage from Romar and Huskies, Polo shoes at factory prices, processed food, frozen seafood, organic vegetables with special discounts, health products and gifts and souvenirs.

The Bualuang SME Fair was first held in 2009 under



the initiative of the former Executive Chairman Mr. Kosit Panpiemras with an aim to expand marketing channels and income for entrepreneurs who are members of the Bualuang SME Club.

"We are pleased that Bangkok Bank can host the Bualuang SME Fair once again after the break during the pandemic. The event will allow buyers to purchase quality souvenirs and gifts for their friends and family members for the upcoming New Year at special prices. At the same time, the fair will provide sellers with the opportunity for trade and negotiations for future business expansion. More importantly, the Bualuang SME Fair reinforces the Bank's commitment as a trusted partner who not only provides customers with financial support, but also plays a part in helping the Thai economy and society by promoting consumer spending," said Mr. Than Siripokee, Bangkok Bank's Executive Vice President.

Bangkok Bank News

Vietcombank committed to arrange a credit of VND 25,000 billion for Petrolimex

Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank) and Vietnam National Petroleum Group (Petrolimex) have just signed a comprehensive cooperation agreement.

Accordingly, the two sides agreed to give priority to using each other's products and services on the principle of efficiency, mutual benefit, compliance with the provisions of the law, without affecting the agreements signed by Vietcombank and Petrolimex. signed with other partners to add value to customers, partners and shareholders as well as sustainable development for both parties.

Petrolimex will consider using banking products and services provided by Vietcombank, including: Payment and cash flow management; International Payment and Trade Finance; Foreign exchange and capital markets; Credit financing; Retail



Banking and Investment Banking.

Vietcombank will consider using Petrolimex's products and services, including: supplying petrol and oil for Vietcombank's means of transport at Petrolimex's system of petrol stations; insurance products and services, lubricants, gas, etc.

In addition, the two sides jointly researched products and services for business cooperation between the two businesses in the fields of non-banking finance and card issuance cooperation. co-branding, optimizing each other's customer portfolio.

At the signing ceremony, Vietcombank committed to arrange credit with a total value of VND 25,000 billion to serve petroleum trading activities as well as production activities. other business activities of Petrolimex and its member units. Credit granting is done in accordance with the provisions of law, policies and internal regulations of Vietcombank from time to time.

Bnews.vn

Banking and Finance Newsbriefs

Bhutan

World Bank Vice President Visits Bhutan, Reiterates Continued Support

World Bank Vice President for the South Asia Region, Martin Raiser, today concluded his first visit to Bhutan and reaffirmed the World Bank's continued

support for the country's green, resilient, and inclusive development.

"Bhutan's unique development philosophy of promoting national happiness is inspiring, and its record as the world's first carbon-negative country with notable achievements in poverty reduction and human development deserves global recognition," said Raiser. "As the country recovers from the impact of the COVID-19 pandemic and addresses

the economic challenges resulting from high energy and food price inflation and slowing global economic activity, the World Bank remains committed to supporting Bhutan's resilience and creating opportunities for its people."

During his four-day visit, Raiser met with the Prime Minister of Bhutan and commended Bhutan's successful vaccination campaign that helped save lives, and the kingdom's remarkable

Banking and Finance Newsbriefs

efforts to maintain its net-negative carbon emission status. He reiterated the World Bank's readiness to help Bhutan address its most pressing economic challenges as global uncertainties and crises loom.

Raiser also met with senior government officials, including, the Minister of Finance, the Minister of

Foreign Affairs, the Minister of Health, the Minister of Education and the Minister of Economic Affairs. During these discussions, Raiser emphasized the importance of prudent fiscal and monetary policies to ensure macroeconomic balance, and continued policy reforms to boost human capital, promote private

sector development and create jobs for Bhutan's youth.

Raiser's program in Bhutan also included meetings with private sector and women's group representatives, development partners and visits to selected World Bank-supported projects.

World Bank

India

Digital Rupee CBDC Set to Enhance Financial Inclusion

The Reserve Bank of India (RBI)'s Central Bank Digital Currency (CBDC) may turn out to be the only long-term digital transaction to remain free of cost with enhanced security compared to other forms of digital assets.

That is the view of prominent payment industry bodies and fintech start-ups following the launch of the first

pilot for the retail digital Rupee starting December 1. The RBI said that e₹-R will be implemented in phases in partnership with selected banks in key cities to begin with, and will be scaled up later. The first four banks that will be part of the pilot are the State Bank of India (SBI), ICICI Bank, Yes Bank, and IDFC First. Four more banks, Bank of Baroda, Union Bank of India, HDFC Bank, and Kotak Mahindra Bank will join the pilot subsequently, RBI had said.

"The launch of the e-Rupee is a very positive step towards bringing resilience, efficiency, and innovation to the payments system. Along with reducing the operational costs associated with physical

cash management, it will also enhance settlement efficiency, spur innovation in cross-border payments, and offer the public the same benefits as any virtual currency without the risks associated with it" said Visa Group Country Manager, India & South Asia, Sandeep Ghosh.

"Retail CBDC will be a game changer. While the Unified Payments Interface (UPI) provides the features of fund transfer, this can become 100X bigger since it replaces cash transactions with digital currency directly issued by the RBI" Fintech Convergence Council of India Non-Executive Chairman, Navin Surya.

East and Partners

Iran

Iran-China officials reach financial and banking agreement

Regarding the details of 16 Memoranda of Understanding (MoUs) inked between Iran and China in a meeting in Tehran between the officials of the two countries, the Deputy Governor

of the Central Bank of Iran (CBI) Asghar Abolhassani Hastiani said this MoU emphasized facilitating bilateral trade exchanges and joint investments in the industrial, rail, scientific, technology and agricultural fields with the People's Republic of China.

"In that meeting, in order to prepare the ground for the implementation of the cooperation strategic partnership between the two countries of Iran and China, the finalization of suitable

financial and banking mechanisms as soon as possible was emphasized and the necessary agreements were made in that regard," according to the deputy CBI governor.

Iranian and Chinese banking officials also agreed to facilitate the banking affairs of Iranians living in China and Iranian traders through eliminating the existing barriers as soon as possible.

MEHR News Agency

Japan

Japan to ease 30% crypto tax on paper profits for token issuers

The Japanese government is set to ease tax requirements for local crypto firms, as it pushes to stimulate growth in the domestic finance and tech sectors.

At present, Japanese firms that issue crypto are required to pay a set 30% corporate tax rate on their holdings, even if they haven't realized a profit through a sale. As such, a number of domestically founded crypto/blockchain firms and talent have reportedly chosen to set up shop elsewhere over the past few years.

Japan's ruling party, the Liberal Democratic Party's (LDP) tax committee held a meeting on Dec. 15 and approved a proposal — initially tabled in August — which removes the requirement for crypto companies to pay taxes on paper gains from tokens that they have issued and held.

The softer crypto tax rules are expected to be submitted to parliament in January, and go into effect for Japan's next financial year starting on April 1.

Speaking to Bloomberg on Dec. 15, LDP lawmaker and member of its Web3 policy office Akihisa Shiozaki noted that "this is a very big step forward," adding that "It will become easier for various companies to do business that involves issuing tokens."

The latest move from the government appears to signal that its hunger to promote and develop the domestic crypto and Web3 sector hasn't waned despite the FTX disaster,

Prime Minister Fumio Kishida emphasized in October that nonfungible tokens (NFTs), blockchain and the metaverse will play important roles in the nation's digital transformation. The PM cited the digitization of national identity cards as an example.

In October, the Japan Virtual and Crypto Assets Exchange Association also announced plans to walk back the stringent screening process for listing new tokens on exchanges, something which Kishida had called on the self-regulatory organization to do back in June.

Cointelegraph

Malaysia

Banks in Malaysia to fully implement five key measures to rein in financial scams

Financial institutions are expected to fully implement Bank Negara Malaysia's five key measures to rein in financial scams by June 2023, says the Association of Banks in Malaysia (ABM).

Datuk John Chong Eng Chuan, chair of the industry task force on measures to combat financial scams, said all banks

were progressively implementing the measures.

Chong, who is also Malayan Banking Bhd group chief executive officer of community financial services, said more than 80 per cent of the bank had implemented the 24/7 dedicated complaint hotline for customers to report incidents or suspicions of fraud.

They had also implemented restricted authentication of electronic banking transactions to one mobile device or secure device per account holder.

Measures would include amplifying education and awareness among the public under the National Scam Awareness Campaign to be more

vigilant against financial scams and fraud.

The National Scam Awareness Campaign was launched in October 2022, with the tagline "Awas, Fikir, Blok. Ingat 3 Saat OK".

It is an industry wide campaign that aims to educate and empower the public to adopt good online hygiene practices and create awareness of the types of scams.

The collective effort will see consistent and frequent communications by the banks across various customer touchpoints to ensure the public remains vigilant of scam tactics and how to protect themselves.

New Straits Times

Maldives

World Bank Vice President Visits Maldives

World Bank Vice President for South Asia, Martin Raiser, concluded his four-day visit to the Maldives. On

his maiden visit to the Maldives since assuming office in July 2022, Raiser highlighted the challenges of high debt and climate risks facing the country and reiterated the World Bank's support for important reforms and investments to secure continued, resilient growth.

In Male', Raiser met with his Excellency President Ibrahim Mohamed Solih, Honorable Minister of Finance Ibrahim Ameer, Honorable Minister of

Economic Development Fayyaz Ismail, and Honorable Minister of Environment, Climate Change and Technology Aminath Shauna. He reflected on the strong partnership between the World Bank and the Maldives over the past 44 years and expressed the World Bank's commitment to supporting challenging fiscal reforms and investments in strengthening resilience in the face of global macroeconomic and climate change

Banking and Finance Newsbriefs

shocks. He commended the government for the recent tax increases, which are important for rebuilding fiscal buffers.

“Maldives has developed from absolute poverty to middle income in a little over a generation and has managed the COVID-19 crisis well. But high levels of debt, the impact of the war in Ukraine on commodity prices, and the risks of climate change and rising sea levels are creating new challenges,” said Martin Raiser. “Sound fiscal policies and smart investments in resilience and cost effective service delivery will be critical

to sustain Maldives rapid growth story.”

Raiser joined senior officials of the Maldivian government to break ground on the installation of 5MW solar Photovoltaic (PV) in Male’, supported by the World Bank’s Accelerating Sustainable Private Investment in Renewable Energy (ASPIRE) project. The project will reduce the costs of electricity compared with traditional diesel generation by more than half, making a critical contribution to saving scarce budget and foreign exchange resources. He also attended the closing ceremony of a high-level, two-

day workshop organized by the World Bank and the Government of Maldives to explore the use of innovative digital solutions and data for climate adaptation.

Outside the capital city, Raiser visited the island of Gulhi in Kaafu Atoll to observe first-hand the impact of climate change on the Maldives’ fragile natural environment, critical infrastructure and people’s livelihoods, and how smart investments and leveraging eco-system services can help build resilience.

The World Bank

Mongolia

Mongolia to Diversify Economy via Private Sector Boost: World Bank

Mongolia has an opportunity to strengthen its business environment to create a more level-playing field for companies, particularly small and medium enterprises, (SMEs) and facilitate a more productive private sector beyond the mining sector, according to a World Bank report released today.

For two decades, economic growth performance has been impressive – though volatile – in Mongolia, with significant success in poverty reduction and human well-being. However, the country has become highly dependent on commodities exports, especially coal and copper with weak linkages between

mining and the rest of the economy. Unemployment is high, and the labor force participation is falling, notably for women.

Establishing a more conducive and predictable business environment would benefit SMEs, which are more vulnerable to restrictive regulations and make up 97 percent of the active firms in the country, according to the Mongolia Business Environment and Competitiveness Assessment report. They contribute around 5.5 percent of GDP and 2.4 percent to exports (31 percent to non-mining exports). Mongolian SMEs could be positioned as active agents of the country’s much needed economic diversification and transformation, integrated in clusters and supply chains for goods and services, providing jobs and fostering inclusive growth, according to the report.

“The Government of Mongolia has recognized the need for a more

conducive investment climate and implemented several significant reforms.” Andrei Mikhnev, World Bank Country Manager for Mongolia. “It is crucial for policymakers to stay the course when tackling business environment reforms – ensuring policy coherence and minimizing implementation gaps while modernizing policies and legal frameworks in the medium to longer-term.”

The report recommends focusing on increasing competition amongst firms to encourage investment and foster innovation. It also highlights the importance of reducing barriers to international trade to facilitate competitiveness of domestic manufacturing and boost non-mining productive sectors. Other recommendations include digitizing and simplifying administrative systems to improve government services that create a conducive business environment.

Mirage News

Philippines

Philippine Central Banker Sees Window to Slow Rate Increases

The Philippine central bank is ready to move to a slower pace of interest-rate increases, according to Governor Felipe Medalla, amid expectations that the Federal Reserve will turn less hawkish.

Medalla, whose base case is for the Fed’s next rate move to be a half-point

increase followed by a quarter-point, sees the need for Bangko Sentral ng Pilipinas to do even less.

“It’s all a matter of the degree and how much to respond,” he said in an interview on Tuesday. “But not necessarily point by point.”

Medalla has led the BSP in delivering the most-aggressive tightening in Southeast Asia this year, with 300 basis points of moves since May to contain inflation and support the peso. Future monetary moves will remain data dependent, and policy makers are ready to deliver big rate increases if needed, the governor said.

Domestic inflation is seen to slow to the mid-point of a 2%-4% target in the second half of 2023.

While the Philippine peso remains Southeast Asia’s worst performer this year, it has gained more than 2% this quarter, paring losses after the monetary tightening and forex market intervention.

BSP is also unlikely to change limits on banks’ foreign exchange position, Medalla said at the interview. The monetary authority will stick to “moral suasion” and tweaking reporting requirements to manage currency volatility, he said.

Bloomberg

Russia

Russia's central bank governor Nabiullina speaks after holding rates at 7.5%

Russian Central Bank Governor Elvira Nabiullina and her deputy Alexei Zabolotkin gave a news conference after the central bank left its key rate unchanged at 7.5% on December 16.

In November and early December, prices rose mainly due to one-off factors - most all of all, the indexation of utility tariffs. But the influence of factors that increase core inflation is

increasing and this trend will continue in 2023.

Annual inflation will continue to slow down in the coming months. When inflation is very volatile, the annual level says little about price pressures, since it is overloaded by past shocks. In the spring, annual inflation may even drop below 4%, but this is not a characterisation of how prices are changing in the here and now.

The exchange rate is still in the same range in which it has been fluctuating since the beginning of summer, but now at the upper limit of this range. All other things being equal, a significant worsening in the terms of trade means a weaker exchange rate. From the point of view of risks in relation to our baseline

forecast, we consider the risks from external conditions as pro-inflationary during 2023.

Our gold and foreign exchange reserves are sufficient. We do not have the task of specially accumulating gold and foreign exchange reserves.

We decided to have two parts of our reserves - one in case of a financial crisis and the other to account for geopolitical scenarios. As a result, we now have a sufficient amount of funds in both yuan and gold, and there is no need to accumulate more.

The bank's next rate-setting meeting is scheduled for Feb. 10, 2023.

Reuters

Singapore

Singapore Banks Putting Money into AI and Big Data

Singapore's banks have been deploying artificial intelligence (AI) and big data at an accelerating pace, said Maybank analysts [in a report](#) seen in Singapore Business Review.

With AI and big data, banks are able to leverage customer data as well as relationship-driven insights. For example,

in retail banking, it is initially translating into serving up personalized product offerings including discounts and targeted deals.

Amongst the banks that are investing in these technologies are DBS, OCBC and UOB. DBS for instance allocated \$1 billion annually for the past four years and sent out 30 million personalized insights to 3.5 million customers.

UOB sought to spend \$500 million to scale digital offerings until 2026, on top of the average \$535 million spent on technology yearly in the past four

years. OCBC also made its technological investments such as the AI lab it already launched in 2019.

"These investments are now reaching commerciality, enabling the banks to leverage customer data and relationship-driven insights," said the report.

The advanced technology also offers bespoke insights on customer spending habits and automated assistance on payments and subscriptions are becoming standard offerings on their digital apps.

Finews.asia

Sri Lanka

Sri Lanka budget to seek recovery for crisis-hit economy

Sri Lanka's military is holding a Christmas carnival at the seafront site of an anti-government protest that forced the country's previous president to flee and quit office earlier this year.

Thousands marched in Sri Lanka's largest city and set up a tented protest camp in April amid anger at

the government's handling of a severe economic crisis. Protesters named the site "Gota Go Gama", a dig at former President Gotabaya Rajapaksa who was forced to resign in July.

Sri Lanka's powerful military converted the site adjacent to the presidential office into a Christmas-themed carnival ground with a large artificial Christmas tree, a bus featuring carol singers and dog shows.

Sri Lanka descended into its worst economic crisis in seven decades this year after its foreign exchange reserves ran dry, leading to shortages of essentials, including food and fuel, which

stoked widespread unrest culminating in Rajapaksa's exit.

Sri Lanka reached a preliminary deal with the IMF for a \$2.9 billion bailout in September, and Wickremesinghe has warned tough economic reforms are necessary.

But activist Thiridu Uduwagedera said the Wickremesinghe administration did not have popular support to hold the celebrations at "Gota Go Gama."

"People will certainly continue the fight until we get rid of this government," he said.

Yahoo News

Taiwan

Taiwan think tank puts 2023 GDP growth at 2.51%

The Taiwan Research Institute (TRI) on Wednesday December 14 revised its economic growth forecasts to 3.01% for 2022 and 2.51% for 2023, the lowest figures among local think tanks.

The group had previously predicted Taiwan's economy would grow

by 3.8% this year. Another prominent think tank, the Chung-Hua Institution for Economic Research (CIER), recently cut its GDP predictions for Taiwan to 3.04% for 2022 and 2.72% for 2023.

TRI founder Liu Tai-ying named insecurity stemming out of the COVID-19 pandemic and the war in Ukraine as the main factor dampening sentiment about next year's economy, the Economic Daily News reported. As a result, private investment was likely to grow by only 2.48% in 2023 compared to this year's 7.24%, TRI said.

As the economy contracted

in several important markets, Taiwan's export performance also started losing impetus during the third quarter of 2022. Despite the negative global trends, Taiwan's economy was still managing to grow, according to TRI.

The think tank nevertheless warned that factors like the trade war between the United States and China, government policies in Beijing, and the impact of currency policies on international exchange rates might also have a negative influence on Taiwan's economic performance in 2023.

Taiwan News

Thailand

Thai digital banking matures

Thai banks score among the best for customer retention on mobile banking, alongside counterparts in the US, China, India and the UK, according to a global survey by Deloitte Consulting.

The survey analysed Thai retail banks' who and mobile channels across 1,200 data points throughout the customer

journey, based on an assessment of digital functions, customer needs research and user experience evaluation.

Overall, Thailand's digital maturity is on par with the global average at 40 %, but it trails digital champions by at least 1.5 times, the results showed. It was Thailand's first appearance in the biennial Digital Banking Maturity survey, which assessed 300 banks across 41 countries.

"The digital banking landscape in Thailand is still in its premature stages, scoring only 43% in mobile banking functions compared with 63%

from digital champions,' said Metinee Jongsaliswang, executive director and Thailand country consulting leader with Deloitte Consulting.

"The Bank of Thailand's public consultation earlier in the year 2022 clearly highlighted the intent to introduce new virtual banks to encourage innovation and support financial inclusion. This is likely to lead to a significant investment in functionality and user experiences provided by both incumbents and new entrants."

Bangkok Post

Vietnam

Economic themes that define Vietnam in 2022

Vietnam's economy experienced a bumpy year with major stumbling blocks in the stock, property and corporate bond markets. However, it is expected to end 2022 on a high note thanks to surges in growth, the trade surplus and foreign investment.

GDP growth to lead Asia Pacific
Despite several economic challenges, Vietnam's GDP growth is forecast to reach 8% this year, the highest among major countries in the Asia Pacific region.

Vietnam's economy expanded by 8.83% in the first nine months of the year, the largest increase for the 2011-2022 period, thanks to a 13.67% surge in the third quarter.

The services sector grew at nearly 10.57% during this period, accounting for over half the overall growth. Industry

and construction grew by over 9.44% to account for most of the remaining growth. Agriculture, forestry and aquaculture expanded by 2.99%.

The government predicts growth will reach 8% for the whole year, while lender HSBC pegged the country's growth at 7.6% and the World Bank at 7.2%.

The economy showed positive recovery in many aspects in the first nine months, with 14 out of 15 targets achieved or even exceeded, Prime Minister Pham Minh Chinh said in October 2022.

VnExpress International

Banking and Finance Newsbriefs

Uzbekistan

World Bank Boosts Uzbekistan's Strategic Reforms

The World Bank approved the “Advancing Uzbekistan’s Economic and Social Transformation Development Policy Operation,” which supports the continued implementation of economic and social reforms in Uzbekistan. These reforms will help support an inclusive transition to a private-sector-led economy by strengthening market institutions and ensuring all citizens take part in the benefits of economic growth.

The World Bank’s financial support to the Government will be provided through both highly concessional loans in the amount of \$470 million, and low-cost loans of \$480 million.

“It is encouraging that Uzbekistan remains committed to crucial reforms despite a challenging situation globally and in the Europe and Central Asia region,” said Tatiana Proskuryakova, World Bank’s Regional Director for the Central Asia region. “This policy operation builds on the extensive World Bank financial and technical support provided since 2017 to help Uzbekistan develop

an inclusive and vibrant market economy. Our Country Partnership Framework for 2022-2026 will contribute to the implementation of further key reforms in line with the National Development Strategy goals.”

The financing from this World Bank operation will support reforms to:

- Establish a new National Social Protection Strategy to improve the performance of the social protection system, especially for poor and vulnerable families.
- Expand publicly funded maternity benefits to private sector employees, which will reduce discrimination against women in the workplace.
- Establish new legislation on the privatization of state-owned enterprises, competition, and insolvency regulation to improve the private sector business environment.
- Increase private participation and enhance competition in Uzbekistan’s mobile telecommunications.
- Deepen and expand non-bank credit organizations

and improve their service quality to widen access to finance for smaller businesses.

- Increase the financial oversight and financial discipline of state-owned enterprises.

The operation provides financial support for the Government budget during a time of heightened global economic uncertainties, tighter financial markets, and rising global food and fuel prices.

As of December 16, 2022, the World Bank’s country program in Uzbekistan comprised 27 projects. They are being implemented by the Government with the support of the World Bank across a range of critical areas, including poverty reduction, support for entrepreneurship, macroeconomic reforms, agriculture, water resource management, clean water supply, sanitation, energy, transport, health, education, social protection, urban and rural infrastructure, national innovation, tax administration, statistical and financial systems, and more. The World Bank also continues to support the Government’s efforts to mitigate the health, social, and economic impacts of the COVID-19 pandemic.

Mirage News

Publications

Unlocking the Potential of Digital Services Trade in Asia and the Pacific

This book explains how rapid digitalization during COVID-19 has accelerated the growth of digital services trade in Asia and the Pacific, and provides analysis on the opportunities, challenges, and associated risks.

It explores evolving trends and considers trade agreements, cybersecurity, and effective taxation. It outlines how a greater focus on developing human capital, connectivity, investment in information and communication technology, and a positive regulatory environment can help digital services thrive. By underscoring the principal drivers and policies, it aims to build a better understanding of digital services to guide policy makers as they undertake domestic reforms designed to reduce the digital divide.

Publication Details: [Asian Development Bank](#)



Publications

Survey on Green Bonds and Sustainable Finance in ASEAN: Insights on the Perspectives of Institutional Investors and Underwriters



This publication analyzes interest in green bonds in the Association of Southeast Asian Nations (ASEAN) region to help guide development of sustainable bond markets.

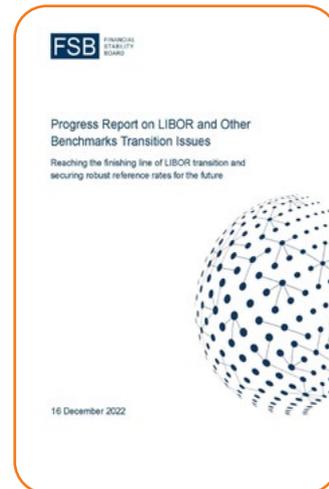
It provides a rundown of markets in ASEAN members and highlights findings from a survey of investors and underwriters. It discusses why countries need to boost corporate and sovereign issuance, strengthen policy guidance, and better engage investors in order to attract new capital flows and maximize the market's potential.

Publication Details: [Asian Development Bank](#)

Progress Report on LIBOR and Other Benchmarks Transition Issues

The end of 2021 has marked a major milestone in the transition away from LIBOR.¹ The transition from LIBOR to overnight risk-free rates (RFRs) and efforts made to improve the robustness of interest rate benchmarks have increased market stability and integrity. This has required a sustained effort from the official and private sectors and as a result of the effort, there has been substantial progress. Most LIBOR settings have now ceased and while certain panel-based U.S. dollar (USD) settings are continuing until end-June 2023 to support the transition of legacy contracts, the market has already shifted new activity away from LIBOR and toward RFRs.

Publication Details: [Financial Stability Board](#)



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David Hsu, Secretary Treasurer; Amador R. Honrado, Jr., Editor;
Abby Moreno, Associate Editor; Teresa Liu, Assistant Editor
7F-2, No. 760, Sec. 4 Bade Road, Taipei 10567, Taiwan
Tel: (886 2) 2760-1139; Fax: (886 2) 2760-7569
Email: aba@aba.org.tw; Website: www.aba.org.tw