



Summary Report on ABA Activities in 2019

THE 2019 ABA YEAR-IN-REVIEW

The year 2019 saw the Asian Bankers Association (ABA) undertaking activities aimed at further enhancing the value of the Association to its members and the Asian banking sector as a whole.

Conceptualized and implemented with the valuable guidance and support of ABA officers and member banks, the activities and projects of the Association in 2019 are summarized in this Year-in-Review report.

I. PREPARATIONS FOR THE 36TH ABA GENERAL MEETING AND CONFERENCE

A. Planning Committee Meeting

1. The 2019 ABA Planning Committee Meeting was held on May 17, 2019 at Shangri-la Hotel in Makati City, Philippines, with the Philippine National Bank as host organization.



2. Presided by ABA Chairman Mr. Jonathan Alles, the meeting was attended by 19 representatives of 8 banks from 7 countries, including Austria, India, Iran, Maldives, the Philippines, Sri Lanka, and Taiwan.

3. The Planning Committee focused its discussions on:
 - a. Preparations for the 36th ABA General Meeting and Conference, with the deliberations focusing on the final dates and venue, themes and topics for the seminar, line-up of possible speakers, and suggested format and program, among others.
 - b. The progress of the various activities and projects outlined under the ABA 2018-2020



Work Program and suggestions for their effective implementation.

c. The Work Program for 2019 of the ABA Policy Advocacy Committee.

4. Among others, the Planning Committee agreed that:

a. The 36th ABA General Meeting and Conference would be held on November 14-15, 2019 at Makati Shangri-la Hotel

b. The Conference would address the following theme and topics:
Theme: **Reshaping the Asian Financial Landscape**
Session One Topic: *Global Economic Outlook: What Lies Ahead for Asian Banks*
Session Two Topic: *Financial Inclusion: Banking the MSMEs*
Session Three Topic: *Is Asia Ready to Go Cashless?*
Session Four Topic: *Role of the Regulator in Developing an Effective Digital Ecosystem*

Ocular Inspection of the Conference Venue

5. Following the meeting, members of the ABA Planning Committee led by ABA Chairman Mr. Jonathan Alles and PNB officers led by Mr. Jovencio Hernandez, Executive Vice President & Marketing and Brand Management Sector Head, conducted an ocular inspection of the Conference facilities of Makati Shangri-la Hotel to check on the suitability of the meeting rooms and the social functions venues. They later met to discuss the necessary preparations to be made for the Conference (e.g., the promotional brochure , registration procedure, hotel booking, etc.)

Meeting with the Deputy Governor of the Bangko Sentral ng Pilipinas

6. Members of the ABA Planning Committee led by ABA Chairman Mr. Jonathan Alles were accompanied by PNB President and CEO Mr. Jose Veloso and other Bank officers in meeting with Deputy Governor Mrs. Chuchi Fonacier of the *Bangko Sentral ng Pilipnas* (BSP), the country’s central bank, on the afternoon of March 9 at the premises of the BSP.





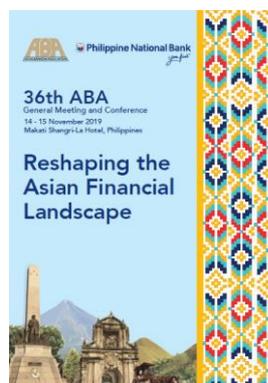
7. Mr. Alles took the opportunity to extend his invitation to Deputy Governor Fonacier to join the 36th ABA General Meeting and Conference in November 2019 to be hosted by PNB. He further requested the Deputy Governor to extend BSP's support for the November Conference and, if possible, to encourage other Philippine banks to participate in this important event as well, and join the discussion on timely and relevant issues that will be addressed at the Conference.

8. For his part, President Mr. Veloso said that PNB looked forward to hosting the ABA Conference as it would provide PNB the opportunity to learn from the experience and best practices of ABA member banks from other countries on how best banks can serve the banking needs of their respective communities, and to explore possible areas of cooperation and collaboration.

9. Deputy Governor Fonacier expressed her strong support of the 36th ABA General Meeting and Conference to be held in Makati City in November 2019. She shared information and her valuable insights on the latest economic and banking sector developments in the Philippines – particularly on technological trends and their impact and implications for banks - allowing the ABA delegates to get a better understanding of the country's financial market and its relevant monetary policies and the reform and policy initiatives undertaken by BSP to address the challenges presented by the rapid changes in the regional and global markets.

B. Coordination with the Host Bank

10. Subsequent to the Planning Committee Meeting, the ABA Secretariat coordinated with the Philippine National Bank – through a series of regular teleconference - on preparations for the 36th ABA General Meeting and Conference. Discussions focused on the tentative program, the contents of the brochure, and logistical arrangements for the meeting (e.g., accommodation, meeting venues), among others. A line-up of possible speakers was identified and invited, and subsequent follow-ups were made.



C. Request for Suggestions on Conference Speakers

11. The Secretariat sent out a circular to members seeking their suggestions on possible



speakers, panelists and/or moderators for the various Conference sessions.

I. POLICY ADVOCACY

A. Approval of the Policy Advocacy Committee Work Program for 2020

12. The ABA Policy Advocacy Committee held its first meeting for 2019 on May 17 in Makati City, in conjunction with the Planning Committee Meeting. Chaired by Mr. Dilshan Rodrigo, Chief Operating Officer of Hatton National Bank – who participated from Sri Lanka via teleconference, the meeting discussed and approved the Committee's Work Program for 2019.



13. The objectives of the 2019 Work Program of the Policy Advocacy Committee include the following:

- a. Promoting Cooperation in Cyber Security Management
- b. Promoting cooperation in achieving the rapid adoption of new financial technologies and attaining greater understanding of its implications for, and potential impact on, the financial industry
- c. Promoting cooperation in Islamic Banking
- d. Promoting greater understanding and sharing of the implementation results in the area of KYC/AML/CFT compliance
- e. Encouraging cooperation among member banks in promoting blended financing, and
- f. Encouraging cooperation among member banks in promoting digital transformation

B. Dissemination of ABA Position Papers

14. The ABA circulated to all members and published in the ABA Newsletter the following papers finalized by the ABA Policy Advocacy Committee at its meeting in November 2018 in Maldives:



- a. Paper on the project conducted by CSR Lanka with the Durham University UK on the “South/Southeast Asian Business Society Models” focusing on sustainable SMEs.
- b. Paper sharing the experience of Malayan Banking Berhad (Maybank) in Islamic banking
- c. Paper sharing the security measures and techniques that Hatton National Bank (HNB) has set in place to help prevent, detect or disrupt a cyber attack on its operations.
- d. Paper sharing the results of the studies done by Fintelekt Advisory Services Pvt. Ltd., on the experiences of financial institutions in South Asia and Southeast Asia in facing the cross-border challenges of AML/CFT compliance requirements

III. TRAINING PROGRAMS

A. Short-term Visiting Program

15. Since the 35th ABA General Meeting and Conference held in November last year in Maldives, the ABA has been coordinating with a number of member banks and other strategic partner organizations on the possibility of hosting short - term visiting programs for members in 2019 aimed at providing participants the opportunity to undergo training on specific aspects of the operations of the more advanced host organizations.

16. The member banks and strategic partner organizations that have agreed to host short-term visiting programs for members in 2019 include the following:

- a. The **Fintelekt Advisory Services (Fintelekt)** hosted a short-term visiting program on “**Best Practices in AML/CFT Governance and Operations**” in Mumbai, India on March 7-9, 2019. The program provided the participants the opportunity to gain an overview of AML/CFT governance standards and operations across different types of banking business models, and be updated on new trends and advancements in AML/CFT technology. A total



of 13 bankers from six countries attended the three-day program. Fintelekt is a specialist in research, training and advisory on Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT) in Asia. It produces industry research, fosters dialogue and creates opportunities for knowledge sharing between senior

executives from banking, financial services and insurance.

- b. The **Rizal Commercial Banking Corporation (RCBC)** hosted, jointly with its microfinance arm Rizal Microbank, a Microfinance workshop on June 10-11, 2019 in Makati City. The primary objective of the workshop was to provide ABA member banks, particularly those who are interested to engage in microfinance as a business initiative, the opportunity to learn from the experience, best practices, and expertise of RCBC and its Rizal Microbank. A total of 13 participants from six countries (Bhutan, Iran, Maldives, Nepal, Sri Lanka, and Taiwan) attended the workshop.



- c. The **Malayan Banking Berhad (Maybank)** once again hosted another short-term visiting program this year for ABA members. Held on October 1-2, 2019 at the Maybank Academy located in Bangi Selangor, the program was attended by a total of 29 participants – both ABA members and non-members - from seven Asian countries. The two-day course covered the following topics: (1) Workplace Futurization in Maybank; (2) Succession and talent development in banking; (3) Bankers' ready skills areas for today and tomorrow; (4) Learning and Development; and (5) Agility at work. The October 2019 Program followed the highly successful and well-received Maybank's programs held in 2014, 2015, 2017, and 2018.



- d. **The Hatton National Bank (HNB)** had earlier agreed to organize a visiting program for ABA members on June 26-27, 2019 in Colombo, Sri Lanka. The two-day program was supposed to cover topics such as the Evolution of Risk Management at HNB; Operational Excellence; Business Process Re-engineering; and Driving the Digital Proposition. However, following the Easter Sunday bombings in and around Colombo, it was decided to postpone the program for a later date.
- e. In addition, the ABA Secretariat has been communicating with the State Bank of India (SBI) and the Sumitomo Mitsui Banking Corp. (SMBC) on the possibility of hosting short-term visiting programs for ABA members in 2019. Members will be advised accordingly as soon as arrangements are confirmed with SBI and SMBC.



B. ABA-Fintelekt AML/CFT Webinar Series 2019

17. The ABA and the Fintelekt Advisory Services agreed to hold the AML/CFT Webinar Series 2019 over the four quarters of this year. The four webinars – lasting one hour each – are designed to address key AML/CFT challenges within Asia.



Fintelekt

18. The first three webinars – which were successfully held on February 21, May 8, and July 10 – focused on “The Role of AML Compliance in Correspondent Banking”, “Why Continuous Monitoring is Critical for Trade-Based Money Laundering”, and “Customer Due Diligence : Challenges and Best Practices”, respectively.

19. The last seminar for the year is scheduled to take place on December 4 and will address the topic “New Payment Systems and Inherent AML Risks

C. ABA-Fintelekt Asia AML/CFT Summit

20. The ABA agreed to be an event partner in the first regional Asia AML/CFT Summit to be held on September 11-12, 2019 in Hanoi, Vietnam. Organized by Fintelekt Advisory Services Pvt. Ltd., the Asia AML/CFT Summit provided the participants the opportunity to understand, deliberate on and discuss important issues on Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT). The two-day Summit brought together some 130 AML/CFT professionals and other stakeholders engaged in AML and CFT from across Asia.



D. ACRAA Training Workshop

21. The Association of Credit Rating Agencies in Asia (ACRAA) invited ABA members to participate in the training workshop on “Advanced Analysis of Infrastructure Projects: Energy, Tollways” held on July 25-26, 2019 in Jakarta, Indonesia. The two-day program was designed for credit rating analysts, bank analysts, investment analysts who are involved in infrastructure projects as project developer, project evaluator, project financier, project implementor, or



project regulatory overseer.



OTHER ACTIVITIES

A. Publication of ABA Chairman's Reflection (2014-2018)

22. The ABA Secretariat published the Chairman's Reflection (2014-2018) summarizing the activities undertaken by Immediate Past Chairman Mr. Daniel Wu during his four-year term from 2014 to 2018.



B. Update of the ABA Brochure

23. The ABA Secretariat, in coordination with ABA Chairman Mr. Jonathan Alles, prepared an updated version of the ABA brochure to include more recent information on the activities of the ABA as well as the current officers and members of the Board of Directors, among others.





C. Accreditation of ABA as Guest Association at the 52nd ADB Annual Meeting held in Fiji

24. The ABA was once again been accredited as Guest Association at the 52nd Annual Meeting of the Board of Governors of the Asian Development Bank (ADB) held on May 2-5, 2019 in Fiji. As in previous years, the ADB meeting in Fiji gathered more than 3,000 registered delegates from some 70 countries, including representatives of ABA member banks and the ABA Secretariat.



25. The 2019 Annual Meeting, which also marked the first time a Pacific island country hosted the event, focused on the theme “Prosperity Through Unity.” Among the issues that were discussed during the event in Nadi were sustainable tourism and its potential to boost national and regional development efforts; the role of private sector financing for disaster risk management and climate resilience in Asia and the Pacific; importance of concerted efforts to improve ocean health; ways to respond to heightening global economic uncertainty; the role of digital technologies for financial inclusion; and new tools for sustainable infrastructure development; among others.

D. ABA Participation in the Symposium on Asian Banking and Finance

26. The ABA was once again been invited to send a representative to the 2019 Symposium on Asian Banking and Finance to be jointly organized and hosted by the Federal Reserve Bank of San Francisco (FRBSF) and the Monetary Authority of Singapore (MAS) on June 3-4, 2019 in Singapore.

27. The Singapore event marked the twelve-year anniversary of the FRBSF's “Symposium on Asian Banking and Finance,” which began in 2007 with a conference to consider the “lessons learned” from the 1997-98 Asian financial crisis. Since then, through the global crisis, FRBSF has continued annually to examine key global developments in banking and finance with the objective of bringing Asian voices to the discussion. The Symposium is an invitation-only discussion among industry and policy leaders. This year's gathering brought together some 110 participants including central bankers and regulators, senior officers of financial institutions, market participants, and academics.





28. The theme of the 2019 Symposium reflected the impact of banking services on the function and wellbeing of society. Discussions covered regulatory reform, financial inclusion, sustainable financing, technological advancements, and cyber resiliency. The participants agreed that as regulatory and operating environments evolve, banks and other financial firms would need to reassess and realign their missions and business models to serve their social purposes, such as sustainable financing, diversity, and supporting the real economy. They pointed out that with the growing spotlight on financial technology, one key issue to address is how banks can harness technology for deeper and wider financial inclusion while managing cybersecurity risk, unconscious bias and other unintended consequences.

E. ABA Participation in the 2019 IIF Membership Meeting

29. The ABA was invited – for the first time - to attend the 2019 Membership Meeting of the Institute of International Finance to be held on June 6-7 in Tokyo, Japan. This is the first time that IIF has invited the ABA to join this annual event. Immediate Past ABA Chairman and current Chairman of the ABA Advisory Council Mr. Daniel Wu has agreed to attend the Meeting as ABA’s representative. A meeting was arranged by IIF between Mr. Wu and IIF officers led by Ms. Loren Bushkar, Managing Director, Global Membership Department.

30. Organized in consultation with the Japanese G20 leadership, the high-level public-private sector event will be held in conjunction with the June G20 Ministerial Meetings and will take place just ahead of the G20 Leaders' Summit of Japan's G20 Presidency. It aims to provide an opportunity for dialogue between senior officials and private sector leaders in the international financial community in a range of issues at the heart of Japan's G20 agenda

F. ABA Participation in the ACRAA Conference Held in Shanghai

31. ABA members were invited to attend “China’s Capital Market Conference” organized by the Association of Credit Rating Agencies in Asia (ACRAA) on September 5, 2019 in Shanghai, China. Focusing on the theme “Opportunities for Foreign Investors in an Open China Bond Market”, the one-day Conference aimed to explore the opportunities for both international issuers and investors in the China market, as well as to enable China’s issuers and investors to benefit from their exposure to international capital markets.



32. In particular, ABA Chairman Mr. Jonathan Alles was invited to be one of the panelists in



the Conference. The topic for Mr. Alles’ panel was “Exploring the Roles of Domestic Credit Rating Agencies and ACRAA IN Facilitating Cross-Border Investment.” Mr. Alles was requested to share his views on the challenges in risk management for international exposure, especially the need of foreign credit assessment and monitoring.

G. Publication of the 2018 Year-End Report.

33. The ABA Secretariat issued the 2018 Year-End Report summarizing the major activities of ABA in 2018.



HIGHLIGHTS OF THE 36TH ABA GENERAL MEETING AND CONFERENCE

34. Some 180 bankers from Asia-Pacific, the Middle East and other regions - composed mainly of members of the Asian Bankers Association (ABA) led by ABA Chairman **Mr. Jonathan Alles**, Managing Director and CEO of Hatton National Bank from Sri Lanka - gathered in Makati, Philippines on November 14-15, 2019 for the 36th ABA General Meeting and Conference. Hosted and organized by Philippine National Bank (PNB) under the leadership of its President and CEO **Mr. Wick Veloso**, the 2019 ABA gathering was held at Makati Shangri-la Hotel . It was the second time that PNB hosted an annual gathering of ABA members, 24 years after the Bank organized one in 1995.

35. This year's Conference carried the theme “**Reshaping the Asian Financial Landscape**”. The two-day event provided another valuable platform for ABA members to meet and network with each other and to exchange views with invited speakers on: (a) current trends and developments in the regional and global markets that are expected to have a significant impact on the banking and financial sector of the region, and (b) how industry players can address the challenges - and take full advantage of the opportunities - presented by these developments.

36. The Keynote Speech was delivered by Mr. Peter B. Favila, Monetary Board Member, *Bangko Sentral ng Pilipinas (BSP)*, who spoke on the topic “Paradigm Shifts and Economic Gains.” Mr. Favila explained that the topic basically encapsulates the state of the Philippine economy in recent years, noting that from being a consumption-led and agriculture-centered economy, the Philippines has progressively transitioned into an investment-led and an increasingly service-driven and digitalized nation. “Change is good as long as we make good of that change. And we have been gradually reaping and at the same time nurturing the fruits of our endeavours,” he added. He especially cited the country’s high GDP growth in recent years, the stable inflation environment, liquidity and credit conditions that have remained supportive of the country’s growth requirements, sustained soundness of the country’s financial sector, and an external sector that has remained a pillar of strength for the economy. He also pointed to an increasing recognition of the potential leverage on technology to enhance the conduct of central banking operations, with the BSP continuing to adhere to a regulatory framework which strives to strike the right balance between financial technology and regulation, while leveraging on safe, innovative and affordable financial instruments and channels that serve as the gateway to greater financial inclusion. In conclusion, Mr. Favila said that the Philippine holds a lot of promising investment opportunities, stressing that “The structural transformation that we are seeing now supports our view that the Philippines provides a value proposition that is not short-lived, but is actually anchored on a dynamic track record of a durable, resilient, and sustainable growth.”



37. PNB President and CEO Mr. Wick Veloso in his Welcome Statement said that the Conference has given delegates the opportunity to listen to and exchange views with their peers from various financial organizations on various topics of current concern to the banking industry, including: how digitalization and sustainability trends are changing the banking financial landscapes worldwide, global economic outlook, financial inclusion, and the digital financial ecosystem. He called on the delegates to take full advantage of this opportunity to think how they can move forward to promote a more inclusive banking by using digital technology. However, Mr. Veloso pointed out that there are still so much more questions to tackle. “For example, in the Philippines, we found out that a sizeable percentage still prefer passbooks because it helps them save. How do we convert these individuals into making their mobiles their preferred banking device? Better yet, how do we integrate new-age



technology, and sustainable financing down to the personal level so even the ordinary citizen can feel its benefits?” He further noted that “the rise of financial technology has threatened the very fabric of our industry. Should we see them as rivals aiming to cannibalize the banks, or do we see them as potential partners who can reach a far greater audience?” Mr. Veloso encouraged everyone to actively participate and collaborate in order to learn from each other and design substantial solutions. “I trust that this conference will help us strengthen our relationships, increase our knowledge, stimulate ideas, and reinforce our commitment to create a brighter tomorrow for the Asia and the Pacific banking industry ” he concluded.

38. ABA Chairman Mr. Jonathan Alles in his Opening Statement said that the ABA Conference in Manila was being held at a time of profound and complex changes in the economic and financial landscape. World economic growth has remained in the positive territory, yet it has been weighed down by factors such as sluggish international trade and investment, rising protectionism, and the continuing trade war between major economies such as the US and China. However, on the other hand, these tensions are prompting Asia-Pacific economies to become closer. Opportunities are also arising from the redirection of trade and production in the global value chain. In addition, the global economy is becoming increasingly digitalised, and some of the emerging technologies have the potential to be truly transformative, even as they pose new challenges. Amidst these developments, Mr. Alles stressed the importance of business networking to encourage greater interaction among individual bankers and banking sectors in the Asian region will play a very significant role as we go forward. Mr. Alles pointed out that “We all have a shared future just like passengers sitting on the same boat. We therefore need to help each other to address challenges on the basis of consultation and coordination and pursue common development. We need to share our insights, build consensus and contribute to promoting development and prosperity in Asia and the world.” Chairman Alles stressed the need to jointly break new grounds in innovation-driven development, pointing out that, after years of fairly fast growth, Asian countries now face the challenge of shifting from old drivers of growth to new ones, and must rely on innovation to foster the latter.



39. The Conference consisted of four Plenary Sessions that featured eminent speakers from both government and the private sector shared their views and insights on the following timely and relevant topics:

- **Plenary Session One** focused on the topic “**Global Economic Outlook: What Lies Ahead for Asian Banks.**” Invited experts and panelists shared their valuable perspectives and insights on key factors shaping the global economy in the year ahead, the risks and opportunities offered by these factors, and what their implications are for banks and

their business strategies.

The speakers included Ms. Priyanka Kishore, Head India and South East Asia Economics, Oxford Economics; and Dr. Le Xia, Chief Economist for Asia, BBVA Research Department. The panelists were Mr. Paul Tang, Chief Economist, Economic Research Department, Strategic Planning and Control Division, The Bank of East Asia Ltd., and Mr. Michael McGauran, Financial Services Strategy Consulting Partner, PricewaterhouseCoopers, Singapore. The session was moderated by Wolfram Hedrich, Partner at Oliver Wyman and Executive Director at Marsh & McLennan Companies Asia Pacific Risk Center



- **Plenary Session Two** addressed the topic **“Financial Inclusion: Banking the MSMEs.”** Invited speakers and panelists examined how banks can harness technology for deeper and wider financial inclusion, how governments in the region can put in place legal framework and regulatory mechanisms to facilitate the empowerment of MSMEs, and how banks can initiate more inclusive institutional partnerships to make MSMEs commercially sustainable.

The featured speakers were Mr. Isaku Endo, Senior Financial Sector Specialist, Finance, Competitiveness and Innovation, The World Bank; and Dr. Jeremy Sosabowski, CEO and Co-Founder, AlgoDynamix UK. The panelists included: Mr. Eugene S Acevedo, President and CEO, Rizal Commercial Banking Corporation; Ms .Pia Roman-Tayag, Managing Director, Center for Learning and Inclusion Advocacy, *Bangko Sentral ng Pilipinas*; and Ms. Corazon Conde, Head, Consulting Group, Association of Development Financing Institutions in Asia and the Pacific (ADFIAP). Serving as moderator was John Berry, Special Adviser, EFMA



- **Plenary Session Three** focused on **“Is Asia Ready to Go Cashless?”**. Experts elaborated on their views on the benefits of the rapidly rising Internet and smartphone penetration and their implications for society on one hand, and the costs in terms of the loss of privacy and the risk of fraud of cybercrime, on the other; what governments in the region are doing to enable them to rapidly advance towards the use of electronic cash; and whether Asia is ready to become a truly cashless society



in the foreseeable future.

The session featured as speakers Mr. Jirayut Srupsrisopa, Co-Founder and Group CEO, Bitkub Capital Group Holdings Co. Ltd; and Mr. James Stickland, President and CEO, Veridium; The panelists included Mr. Shee Tse Koon, Managing Director – Singapore Country Head, DBS Bank; Mr. Rajan S. Narayan, CEO, Cyberbeat Pte. Ltd.; Mr. Paolo Azzola, Chief Operating Officer and Managing Director, PayMaya; and Mr. Frederic Levy, Chief Commercial Officer, GCash. The session was chaired by Mr. Marcus Langston, Regional Head Asia, Euromoney and Asiamoney,

- **Plenary Session Four** addressed the issue on **“The Role of Regulator in Developing an Effective Digital Ecosystem”**. Representatives from government and the private sector examined various issues resulting from the development of digital banking and how they are currently being addressed by the banking sector and, more importantly, by regulatory and supervisory authorities.



The session speakers included Ms. Chuchi Fonacier, Deputy Governor, Financial Supervision Sector, *Bangko Sentral ng Pilipinas*; Dr. Shahab Javanmardy, CEO, FANAP Holding Company; Mr. Darmashri Kumaratunge, Director of Payments and Settlements, Central Bank of Sri Lanka; and Mr. Subas Roy, Partner, Digital Technology and Operations, and Finance and Risk Practice, Oliver Wyman, and Chair of the International RegTech Association. The session was moderated by Mr. Jonathan Alles, ABA Chairman and Managing Director/CEO of Hatton National Bank.

40. As in previous years, the two-day event also featured the following sessions:

- a. **“Discover ABA” session** – This session featured presentations by ABA member banks and Knowledge Partners aimed at providing delegates the opportunity to obtain more information on the economy and the financial markets in the countries of the presenting organizations, or on special programs, projects, products or services of the presenting organizations that have benefited their customer base or the community they serve and may be adapted by member banks from other countries. Among the topics covered by the various presenters included: (i) Sustainable Financing (Association of Credit Rating Agencies in Asia); (ii) Financial Inclusion (Bank of Maldives); (iii) Microfinance (Rizal Commercial Banking Corp.); (iv) AML/CFT Compliance (Fintelekt





Advisory Services); and (v) Digital Transformation Strategy (CTBC Financial Holding Group)

- b. **Host Bank Session** – This session was organized by the host organization Philippine National Bank and featured experts who shared their perspectives on timely and relevant topics including : (i) Digital Innovation: Challenges and Opportunities from the Perspective of a Philippine Bank (Mr. Wick Veloso, President and CEO, Philippine National Bank); (ii) Global Trends in Retail Banking Innovations (Mr. Michael Lor, Senior Advisor, Asia Pacific EFMA); (iii) Digital Distribution (Mr. John Berry, Special Adviser, EFMA); and (iv) Forecasting Risk in Financial Markets Through Artificial Intelligence (Dr. Jeremy Sosabowski, CEO & Co-Founder, AlgoDynamix UK).



- d. **Special Presentations Session** – This session invited experts who made presentations on: (i) Office of Foreign Assets Control: Essentials for Non-US Financial Institutions (Mr. Nicholas Turner, Registered Foreign Lawyer (New York,USA), Clifford Chance); (ii) Cybercrime and Cybersecurity (Mr. Wolfram Hedrich, Partner at Oliver Wyman and Executive Director at Marsh & McLennan Companies Asia Pacific Risk Center); and (iii) Trade Misinvoicing: Detection and Solutions (Mr. Daniel Neale, GFTrade Specialist). The session also featured a simulated, table-top cyber “war game” that enabled the delegates to discuss among themselves the appropriate steps to take in the event of a cyber attack. The tabletop game was facilitated by Mr. Charles Bretz, Director of Payment Risk, Financial Services Information Sharing and Analysis Center). The whole session was chaired by Ms. Daniela Laurel, Anchor, One News & Bloomberg TV Ph and Finance Professor, PhD., MBS.



41. The ABA also convened a meeting of the ABA Policy Advocacy Committee during which a number of ABA member banks and ABA Knowledge Partners presented papers on various policy issues of current concern to ABA members, including the following:

- a. A paper that considered alternative benchmarks following the non-availability of LIBOR in 2021 and how banks can prepare for it.
- b. A paper recommending measures that banks and governments in the region can undertake, individually and collectively, to promote blended financing.
- c. A paper on the experiences of financial institutions in South Asia and Southeast Asia in facing the cross-border challenges of AML/CFT compliance requirements
- d. A paper sharing Hatton National Bank's experience in achieving digital transformation, and summarizing the results of a survey on the level of preparedness of banks in achieving digital transformation.
- e. A paper sharing the initiatives of the Japanese Bankers Association for sophistication of payment system



42. During its Makati gathering, the ABA also convened the 57th ABA Board of Directors' Meeting during which they discussed internal policy issues and took action on a number of important matters, including the following:

- a. The Board approved the proposed Budget for 2020
- b. The Board endorsed the various recommendations from the ABA Advisory Council with regard to: (i) membership recruitment programs and policies; (ii) ABA support to be given to member banks that offer to host the annual Conferences; (iii) member banks that are behind in their membership fee payments; and (iv) participation fee for non-member banks attending training programs conducted by the ABA with member banks and knowledge partners.
- c. The Board endorsed the policy papers presented during the meeting of the ABA Policy Advocacy Committee
- d. The Board formally approved the admission of two new members, namely, Sanima Bank from Nepal as Regular Member and Mitra Innovations from Sri Lanka as Associate Member.
- e. The Board formally approved the holding of the 37th ABA General Meeting and Conference in Sri Lanka in November 2020, with Hatton National Bank as the host organization.

- f. The Board endorsed the preparations being made by Hatton National Bank for the 37th ABA General Meeting and Conference to be held in Negombo, Sri Lanka, and approved the creation of a Planning Committee with the mandate to finalize preparations for the Conference
- g. The Board approved the Resolution to present a Plaque of Appreciation to the Philippine National Bank for hosting the 36th ABA General Meeting and Conference, for the excellent arrangements for the event, and for its warm and gracious hospitality extended to the ABA members, speakers and panelists, and other delegates and guests.



43. During the Gala Dinner, the ABA presented an Award to the best presentation made during the “Discover ABA “ session. The Award was won by Mr. Raymundo Roxas, president of Rizal Microbank, who made a presentation on “RCBC’s Experience in Microfinance. The other presenters included six representatives from the Association of Credit Rating Agencies in Asia who spoke on their respective experiences in Sustainable Financing”, Mr. Mohamed Shareef, Deputy CEO of Bank of Maldives (BML) who spoke on BML’s Journey Towards Financial Inclusion; Mr. Shirish Pathak, Managing Director of Fintelekt Financial Services, who spoke on “AML/CFT: What Do Regulators Really Expect from Banks/”; and Mr. Titan Chia, Chief Technology Officer, CTBC Financial Holding Group who made a presentation on “CTBC’s Digital Strategy: Creating Value from Digital Transformation.”

