

Summary Report on ABA Activities in 2020

THE 2020 ABA YEAR-IN-REVIEW



1. The year just passed has been a period of unprecedented challenges for the Asia-Pacific region and the world as a whole. The COVID-19 pandemic was considered a global threat that the world was not prepared to deal with, generating significant instability and great uncertainties not only on our daily lives but also on our businesses and our respective economies. While its full impact is yet to be determined, it is expected that the adverse social, economic and political implications of the health crisis are likely to continue in the months and perhaps the years ahead.

2. Our Association has not been spared by the massive impact of the pandemic. Several of our planned gatherings and training programs were re-scheduled, re-formatted, or indefinitely postponed until the health crisis is declared as safely over. Our day-to-day activities needed also to be re-thought to deal with the changes and challenges caused by the pandemic.

3. Hence, our main concern over the past year has been on how our Association can continue to serve and remain relevant and of value to our members under the current extraordinary circumstances. We focused our attention on dealing with questions such as: (a) How to bring members together during the period when congregating in person is not possible; (b) How to assist and learn from each other as we face almost



identical challenges across the region; (c) How to assist the Association in dealing with some of the important issues ahead during these difficult times; (d) What the impact the current situation has had on the Association and the critical things we can do together to see this through; (e) How to maintain communications with our members to keep them intact and informed; and (f) How to move forward into the future.

4. With these thoughts in mind, we undertook activities in 2020 aimed at further enhancing the value of the Association to our 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 of the Association in 2020 are summarized in this Year-in-Review report.

Suggestions on Policy Issues to be Addressed by the ABA in 2020



5. The ABA Secretariat in early January 2020 solicited suggestions from ABA Board Members and ABA members on policy issues that the ABA Policy Advocacy Committee may address as part of its Work Program for 2020.
6. Since its creation in 1999, the ABA Policy Advocacy Committee has done considerable work in several areas, including (a) local currency bond market development; (b) the development of domestic credit rating agencies; (c) the Basel II Framework; (d) promoting regional convergence toward IFRS; (e) insolvency law and informal workouts; and (f) corporate governance; (g) financial inclusion and microfinance; (h) credit reporting systems; (i) global financial crisis, (j) lessons from the sovereign debt issue in Greece; (k) the Basel III Framework; (l) disaster-preparedness and recovery; (m) FATCA implications; (n) promoting financial literacy; and (o) promoting organizational transformation. Through these, the ABA was able to make significant contributions to the work of regional and international policy-making and regulatory bodies.
7. Members' suggestions were later considered by the ABA Policy Advocacy Committee during its meeting held on February 28 in conjunction with the ABA Planning Committee Meeting in Negombo, Sri Lanka.

ABA Planning Committee Meeting in Negombo, Sri Lanka



8. Members of the 2020 ABA Planning Committee met on February 28, 2020 at Jetwing Blue Hotel in Negombo, Sri Lanka, with the Hatton National Bank (HNB) as host organization.
9. Presided by ABA Chairman Mr. Jonathan Alles, Managing Director and CEO of HNB, the meeting was attended by 13 representatives of 5 banks from 3 countries, including India, Maldives, the Philippines, Sri Lanka, and Taiwan. Its primary agenda was to discuss preparations for the upcoming 34th ABA General Meeting and Conference, as well as to review the 2020 Work Program of the ABA, particularly the activities of the ABA Policy Advocacy Committee for this year.
10. With regard to this year's Conference, the Planning Committee endorsed the proposal of HNB to hold it on November 12-13, with Jetwing Blue Hotel as the venue. Following an exchange of views on the possible theme and topics of the 2020 Conference, the Committee agreed that this year's Conference would carry the theme **"Asian Banks: Achieving Sustainable Growth in the Age of Disruption"**.

11. It was also decided that discussions during the various sessions will touch on the topics: (a) *Addressing Emerging Challenges in a Changing Global Market Environment*; (b) *The Role of Technology in Sustainable Growth*; and (c) *Building a Sustainable Banking and Business Model*. In addition, the Committee also agreed to hold a CEO Roundtable on “*Navigating the New World Order: Implications for Banks and Regulators*”.



12. Furthermore, it was agreed that, as in previous years, this year’s Conference would include the following three sessions: (a) the **Discover ABA Session** that would feature special country presentations by the host bank and selected member banks and knowledge partners on their products, services, programs or activities that may have created an impact on their businesses, their clients, or their communities and which they want to share with other member banks

who may learn something of value for their own operations; (b) **Host Bank Session** that would invite speakers who will share their views on the topic “**Promoting Sustainable Financing**”; and (c) **Special Presentation Session** during which speakers will make presentations on topics which are of current interest to ABA members and the region's banking industry.

13. As far as the format of the Conference sessions is concerned, the Committee agreed that each session would feature two or three speakers, followed by a panel discussion that would include at most three other panelists in addition to the two keynote speakers. Each session would have an experienced moderator who has the ability and expertise to guide the discussions and ask the right questions of the panelists. Each session will run for a total on 90 minutes, with each speaker given some 20 minutes to complete his/her presentation, and the panel discussion to run for at most 30 minutes.



14. Following the meeting, the Committee members led by ABA Chairman Mr. Alles conducted an ocular inspection of the Conference facilities of Jetwing Blue Hotel to check on the suitability of the meeting rooms and the social function venues, as well as the guest rooms. They also took some time to see the recreational facilities of the hotel.

ABA Policy Advocacy Committee Work Program for 2020



15. The ABA Policy Advocacy Committee, under the chairmanship of the meeting to Mr. Dilshan Rodrigo, Chief Operating Officer of Hatton National Bank, approved its Work Program for 2020 during its recent meeting held in conjunction with the ABA Planning Committee Meeting on February 28, 2020 in Negombo, Sri Lanka.

16. As outlined in the Work Program, the Policy Advocacy Committee aims to focus its work during the year in achieving the following objectives:

- a. Encouraging cooperation in managing challenges associated with digital transformation
- b. Promoting cooperation in cyber security management
- c. Promoting cooperation in crisis and disaster preparedness and recovery
- d. Promoting cooperation in achieving climate change
- e. Promoting cooperation in collaborating with Fintech companies
- f. Exploring the LIBOR transition after 2021 and Its implications for member banks



17. Mr. Rodrigo suggested to the Committee that position papers need to be prepared for each of the policy issues identified in the Work Program. As much as possible, these papers should be case studies on relevant policy issues and should be research-based. The papers will be presented for discussion and finalization at the next meeting of the Policy Advocacy Committee which would be

tentatively held in conjunction with the 37th ABA General Meeting and Conference in November 2020.

18. He said that the preparation of the each of the policy papers could be done by a member bank or a Knowledge Partner of the Association. For this purpose, Mr. Rodrigo said that the ABA Secretariat has identified possible organizations that may be approached to help prepare the papers.



19. At the end of the meeting, ABA Chairman Mr. Alles took the opportunity to express his appreciation to the members of the Policy Advocacy Committee for the excellent work they have done, and continue to do, in promoting the interest of ABA members and the banking sector of the region as a whole. He expressed his hopes that ABA members will remain supportive of ABA's policy advocacy efforts and that they will continue to extend their cooperation to Ms. Rodrigo.



Courtesy Call on CB Governor of Sri Lanka



20. Members of this year's ABA Planning Committee by ABA Chairman Mr. Jonathan and other officers of Hatton National Bank (HNB) made a courtesy call on the Governor of the Central Bank of Sri Lanka, Professor W.D. Lakshman – along with four other Central Bank officials - on the afternoon of February 28 at the premises of the Central Bank in Colombo, Sri Lanka.

21. In his brief Opening Remarks, Chairman Alles expressed his appreciation to Governor Lakshman for receiving the ABA delegation and the other HNB officers. He then proceeded to give a brief introduction on the ABA and its activities

22. Mr. Alles informed Governor Lakshman that the ABA will once again be holding its annual Conference in Negombo in November 2020, with HNB as host. He stated that a Planning Committee Meeting was held earlier that day to discuss preparations for the Conference, and expressed his hopes that Governor Lakshman and his Central Bank colleagues will attend the Conference in November, as speakers if possible.

23. He told the Governor that HNB looked forward to hosting the ABA Conference as will provide HNB 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.

24. Mr. Dilshan Rodrigo, Chief Operation Officer of HNB and Chairman of the ABA Policy Advocacy Committee, proceeded to summarize the discussions made by the Planning Committee during its meeting earlier in the day, and outlined the theme and topics to be taken up during the various Conference sessions. He also highlighted some of the issues that the Central Bank of Sri Lanka might be interested to speak on.



25. Governor Lakshman said he and his colleagues would certainly consider participating in the ABA Conference in November, and look forward to receiving more details on the Conference – particularly the theme and topics – before they can to participate in the Conference and the topics and issues on which they may want to make presentations.



26. The other members of the ABA Planning Committee who joined the courtesy call on the Central Bank Governor were also given the opportunity to introduce themselves, the role they play in their respective organizations, and the issues that are of current interest to them and their banks.

Postponement of the 37th ABA General Meeting and Conference



27. The Secretariat later announced that the 37th ABA General Meeting and Conference, which was originally scheduled to take place on November 12-13, 2020 in Negombo, Sri Lanka, had been postponed.

28. The decision was made by the majority of the members of the ABA Board of Directors based on their assessment of the ongoing COVID-19 pandemic.

29. The views of the Board members were gathered through a mail survey conducted by the ABA Secretariat at the suggestion of ABA Chairman Mr. Jonathan Alles, Managing Director and CEO of Hatton National Bank, the host of the 2020 Conference. In its survey letter to the ABA Board, the Secretariat noted that the ongoing Covid-19 crisis has brought about great difficulties globally, with many affected countries closing schools, businesses, and entire communities in an effort to slow the spread of the disease.

30. “None of us could have foreseen these extraordinary circumstances brought on by the pandemic, and all of us are asking how long it will last and how soon we will bounce back,” the Secretariat pointed out.

31. “With most of us unsure how the situation will play out over the next few months, concerns have been raised on the availability or willingness of members, invited speakers and other delegates to travel from their respective countries to participate in this year’s Conference,” the Secretariat added.

32. In view of these uncertainties, majority of the ABA Board members who responded to the survey agreed on postponing this year’s 37th ABA General Meeting and Conference to a later date.

33. As to the new date for the Conference, ABA Chairman Mr. Alles – with the concurrence of several ABA Board members – suggested that an assessment of the status of the pandemic be made later to determine whether the situation is progressing in the right direction. Only then can a decision be made on the new schedule of the Conference. Members will be notified accordingly.



Online Meeting of ABA Chairman with the ABA Secretariat



34. ABA Chairman Mr. Jonathan Alles, Managing Director/CEO of Hatton National Bank (HNB), and ABA Policy Advocacy Committee Chairman Mr. Dilshan Rodrigo, Chief Operating Officer of HNB, conducted a videoconference with the officers and staff of the ABA Secretariat on June 19, 2020.

35. It was the first time that Mr. Alles and Mr. Rodrigo held such a virtual meeting with the Secretariat officers and staff, mainly to discuss the activities that the ABA could undertake during the Covid-19 pandemic and thereafter.

36. Among the items that were discussed during the June 19 videoconference included: (a) the proposed dates and venue for the 37th ABA General Meeting and Conference, which was originally scheduled to take place on November 12-13, 2020 in Negombo, Sri Lanka but later postponed to 2021 due to the Covid-19 pandemic; (b) status of membership fee payments; (c) schedule of upcoming webinars organized by ABA Knowledge Partners and offered for free to ABA member banks; (d) proposal for the ABA to conduct its own webinars over the next few months on topics of current interest to members featuring panelists from selected member banks; an (e) the introduction of a dedicated section in the ABA website as a platform for ABA members to share information, experiences and best practices with other members, colleagues, associates, and the public in general.

Joint Training Programs with Fintelekt Advisory Services



37. The ABA collaborated with India-based Fintelekt Advisory Services, a specialist in research, training and advisory on Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT) in Asia, in conducting a number of training programs for ABA members. These included the following:

Short-Term Program on AML/CFT in Mumbai



38. Fintelekt Advisory Services and the Asian Bankers Association jointly hosted the second Short-term Visiting Program on “Making AML/CFT Top Priority for Banks” in Mumbai, India on February 27-28, 2020.

39. The objective of the programme was to



provide compliance officers of banks around the region with a strategic understanding of emerging risk factors and an opportunity to enhance and upgrade their management skills and knowledge in the area of AML/CFT.

40. Shirish Pathak, Managing Director, Fintelekt Advisory Services and Mig Moreno, Deputy Secretary, Asian Bankers Association opened the two-day programme with their remarks on the importance of AML/CFT and the goal of the short-term visiting programme.

41. The agenda for the two-day program included presentations on: (a) regulatory developments and trends around the region, (b) emerging AML/CFT risk factors and their impact on banks, (c) best practices in building governance frameworks, (d) balancing business and compliance priorities in the organisation, (e) making transactions monitoring more efficient, (f) ultimate beneficial ownership, and (g) use of technology and innovation in screening and financial crime compliance.

42. The interactive sessions were led by Pramod Khandelwal and Shafath Mujawar – both Fintelekt-empanelled faculty members, Debmalya Maitra – Chartered Accountant and Senior Director of Chokshi Group, Sharad Nair – MLRO of Axis Bank, Arpita Bedekar – Director of Fintelekt’s Strategy and Planning, and representatives from technology companies Refinitiv and Accuity. Participants represented banks from India, Nepal, Sri Lanka, Germany, Cambodia and Taiwan, providing opportunities for cross-border knowledge sharing and discussions.

Webinar on AML and Sanctions Compliance and Enforcement

43. The ABA and Fintelekt Advisory Services held a webinar on “AML and Sanctions Compliance and Enforcement” on May 6, 2020 from 11:00 am to 12:00 noon (India time). The seminar was part of the **AML/CFT Webinar Series 2020** jointly organized by the ABA and Fintelekt.



44. Moderated by Mr. Shirish Pathak, Managing Director of Fintelekt, the May 26 webinar addressed key issues such as:

- Evolution in sanctions over the last few years
- Recent sanctions enforcement trends
- Implications on banks’ businesses
- Keeping track of frequent changes on global sanctions list
- Key considerations for banks’ sanctions compliance programmes

45. The speakers included **Nicholas Turner**, Of Counsel, Steptoe & Johnson joined from Hong Kong, **Surendra Thapa**, President & Founder, Global Intelligence Analysis Corporation



joined from the US, **Vincent Gaudel**, Compliance Expert, Accuity joined from France and **Hala Bou Alwan**, Founder & CEO, Hala Bou Alwan Consultancy joined the webinar from the UAE.

Webinar on Risk Sensing and Fraud Intelligence



46. Fintelekt Advisory Services and ABA co-presented the webinar on **Risk Sensing and Fraud Intelligence** in the 2020 Webinar series on November 18, 2020. The webinar had close to 700 registrations from over 45 countries.

47. The webinar was moderated by **Shirish Pathak**, Managing Director, Fintelekt Advisory Services. The panelists were: (a) **Chua Choon Hong**, Head of Compliance Solutions – APAC, Bureau van Dijk, A Moody’s Analytics Company; (b) **Devendra Raghav**, Head of Compliance and Internal Control, QNB (Qatar National Bank) Group; and (b) **Bernard Law**, Head of FCC and MLRO, Airstar Bank.

Webinar on Optimizing AML Screening



48. Fintelekt Advisory Services and ABA jointly presented a webinar on **Optimizing AML Screening** on September 9, 2020. The webinar was hosted by **Shirish Pathak**, Managing Director, Fintelekt Advisory Services and the panelists were **Douglas Wolfson**, Director, Financial Crime Compliance – Asia, LexisNexis Risk Solutions, **Vijay Gopaladesikan**, Head – FCC Screening Product & List Management, Group

Financial Crime Compliance, Standard Chartered Bank and **Dayanand Prasad**, Principal Officer – AML & KYC Compliance, Emirates NBD Bank (P.J.S.C).

49. The panelists discussed the risks vs operational effectiveness, challenges around false positives, efficiency and effectiveness and offered practical advice for screening and list management.

Asia AML/CFT 2nd Annual Summit



50. Fintelekt’s Asia AML/CFT 2nd Annual Summit 2020 was held virtually from July 20-24, 2020. The summit concluded with more than 1200 participants joining in from 48 countries in Asia and beyond.



Global AML/CFT experts shared their knowledge and insights with participants over the five days of the summit. A variety of topics pertaining to AML/CFT and financial crime were discussed, with the Covid-19 pandemic and its impact being the underlying theme through the discussions.

Webinar on Fine-Tuning AML Transaction Monitoring



51. Fintelekt Advisory Services and ABA jointly presented the next webinar in the 2020 series on **Fine-Tuning AML Transaction Monitoring** on August 5, 2020.

52. The webinar was hosted by **Shirish Pathak**, Managing Director, Fintelekt Advisory Services and the panelists were **Douglas Wolfson**, Director, Financial Crime Compliance – Asia, LexisNexis Risk

Solutions and **Asyraf Riffai Assrangkuun**, Group Head – AML/CFT Transactions Monitoring and Investigation Operations, AmBank Malaysia

53. Douglas Wolfson shared the findings of LexisNexis Risk Solution’s True Cost of Compliance 2019 survey which was conducted for the Asia Pacific financial services market. Asyraf spoke about fine-tuning AML transaction monitoring to prioritize what is important, keep up with new trends and ensure a risk-based approach.

Webinar on Money Laundering and Terrorist Financing Risks in Correspondent Banking



54. Fintelekt Advisory Services and ABA jointly presented the next webinar in the 2020 series on **Money Laundering and Terrorist Financing Risks in Correspondent Banking** on July 8, 2020.

55. The webinar was hosted by **Shirish Pathak**, Managing Director, Fintelekt Advisory Services and the panelists were: (a) **Dilani Sooriyaarachchi**,

Head of Compliance, Seylan Bank; (b) **Theresa Karunakaran**, Director Compliance – Regulatory Affairs, Deutsche Bank AG; and (c) **Saurabh Nagar**, Director, Business Solutions Group, APAC, Accuity

Webinar on Ultimate Beneficial Ownership Identification Challenges; Challenges and Best Practices

56. Fintelekt Advisory Services and ABA jointly presented a webinar on Ultimate Beneficial Ownership Identification: Challenges and Best Practices on June 10, 2020. The webinar had close to 800 registrations from over 35 countries. Moderated by Shirish Pathak, Managing Director, Fintelekt Advisory Services, the webinar featured two expert



speakers who shared their knowledge and insights on the complex issue of ultimate beneficial ownership. Mr. Chua Choon Hong, Head of Compliance Solutions – APAC and Bureau Van Dijk, A Moody’s Analytics Company was the first speaker. Choon covered the definition of Ultimate Beneficial Owner (UBO), national security issues with foreign state-owned enterprises, who will benefit from the global economic stimulus and trade conspiracy and abuse.

57. Debmalya Maitra, Senior Director – BFSI, Chokshi Group spoke next about legal structure and components, misuse of corporate entities for illicit purposes, characteristics of a beneficial owner and FATF guidelines, common methods of misuse & red flag indicators, customer due diligence process and sources of information.

ABA Webinar on “Managing Business Continuity and Recovery During COVID-19 and Beyond”, July 29, 2020

HNB YOUR PARTNER IN PROGRESS

Organized by **ABA** ASIAN BANKERS ASSOCIATION

VIRTUAL CONFERENCE ON
“MANAGING BUSINESS CONTINUITY AND RECOVERY DURING COVID-19 AND BEYOND”
 JULY 29, 2020, 2:30 PM, TAIPEI TIME

MODERATOR

Mr. Dilehan Rodrigo
 Chief Operating Officer, Hatten National Bank
 Chairman, ABA Policy Advocacy Committee

PANELISTS

Mr. Jonathan Alles
 Managing Director and CEO, Hatten National Bank
 Chairman, Asian Bankers Association

Mr. Mostafa Beheshti Rouy
 Member, Board of Directors, Bank Pasargad
 Member, Board of Directors, ABA

Dr. Lin Chien-Fu
 Chief Economist
 CTEC, Financial Holding

Mr. Oliver Hoffmann
 Managing Director, Head of Asia
 Erisis Group Bank AG, Hong Kong Branch
 Member, Board of Directors, ABA

Focus Areas for Discussion:

- Impact of the pandemic on Asia's economies
- Measures undertaken by the banking sector and government authorities in the region to mitigate the impact of the crisis on the economy and the financial industry
- Policy measures being set in place to put back the region's economies and banking sectors on the road to recovery.
- What banks in the region are doing to assess their risk and vulnerability from both an operational and financial standpoint
- What actions banks are taking to mitigate risks and plan for recovery scenarios and associated impacts on liquidity
- How are banks achieving business transition towards digitalization as part of their effort to adapt to the so-called "new normal"

Registration Link: https://zoom.us/jcbinar/register/WN_19PmCBuJ5fmlRkIJN6t2zQ

58. The Covid-19 pandemic is not only a health crisis of immense proportion, but it has also impacted businesses of all sizes and in all industry sectors across the Asian region and globally. Indeed, the implications are profound, and the steps taken by businesses and financial institutions will have an impact on customers, employees, and the economy at large.

59. The webinar – the first-ever organized by the Asian Bankers Association (ABA) – featured representatives of selected ABA member banks who shared their views on the following issues:

- The impact of the pandemic on their respective economies
- What the bankers and government authorities in their country are doing to mitigate the impact on their economy and the financial industry
- What measures are currently being set in place as part of efforts to put back the economy and the banking industry on the road to recovery.
- What their organizations are doing to assess their risk and vulnerability from both an operational and financial standpoint
- What actions are they taking to mitigate risks and plan for recovery scenarios and associated impacts on liquidity
- How are their organizations achieving business transition towards digitalization



as part of its effort to adapt to the “new normal.”

60. The webinar aimed to provide the participants the opportunity to explore what the new normal might look like and prepare for it, to better understand the current landscape they are operating in, and to know what they need to do to resume operations and achieve business recovery.

ABA Webinar on “Strengthening Cybersecurity Preparedness for Banks”

HNB Organized by **ABA**
ABA WEBINAR ON
STRENGTHENING CYBERSECURITY PREPAREDNESS FOR BANKS
 September 30, 2020, 02:30 PM – 04:30 PM, Taipei Time

PANELISTS

 Ross McNaughton Chief Information Security Officer, Gulf Bank Member, Risk Committee, Kuwait Banking Association	 Jeremy Prenio Senior Advisor, Financial Stability Institute, Bank for International Settlements	 Alon Cliff Tavor Partner, Digital, Oliver Wyman
 Suresh Emmanuel Chief Information Security Officer, Hatton National Bank	 Brian Hansen Executive Director, Asia Pacific Financial Services Information Sharing and Analysis Center	 Michael Araneta Head of Advisory and Research, IDC Financial Insights
 Dilshan Rodrigo Chief Operating Officer, Hatton National Bank, Chairman, ABA Policy Advisory Committee	Welcome Remarks	 Eugene Acevedo President and CEO, First Commercial Banking Corporation, Member, ABA Board of Directors
<p>Moderator</p> <p>As the world of finance becomes increasingly digitized, banks and businesses can expect to come under growing threat from cyber attacks. In 2020, the trend seems to have been exacerbated by the rapid worldwide spread of the COVID-19 pandemic, making cyber attacks part of the so-called new normal. Criminals are exploiting vulnerabilities opened up by the COVID-19 shutdowns, increasing the risk of cyber attacks. This webinar aims to provide a platform for discussion on how banks and financial institutions can best ways to protect their businesses from emerging risks, as everyone – from large corporations to small businesses – is a potential target for hackers.</p> <p>Focus Areas for Discussion</p> <ul style="list-style-type: none"> • Cyber risk management strategy • Case studies of banks on how cyber risk vulnerabilities can be exposed • CISO and its criticality in managing a bank's cyber related risks • Pros and cons of cyber risk insurance • Training and capacity building for staff and customers on cyber risks <p>Register in advance for this webinar through the following link https://zoom.us/webinar/register/WN_DGm1gx1SjOJ6wCju2kw</p>		

61. With the world of finance becoming increasingly digitized, banks can expect to come under a growing threat from cyber-attacks. In 2020, the trend seems to have been exacerbated by the rapid worldwide spread of the COVID-19 pandemic. Criminals are exploiting vulnerabilities opened up by the COVID-19 lockdown, increasing the risks of cyber-attacks.

62. Focusing on the topic “Strengthening Cybersecurity Preparedness for Banks”, the webinar – the second one organized by the Asian Bankers Association with the support of Hatton National Bank (HNB) – aimed to help our members to explore how banks and financial institutions can find ways to protect their businesses from emerging cyber risks, as everyone – from large corporations to small businesses – is a potential target for hackers.

63. The two-hour webinar features six speakers who addressed the following issues:

- (a) Cyber risk regulation and supervision
- (b) Cyber Resilience, COVID-19 Response and the “New Normal”
- (c) CISO and its criticality in managing the

bank’s cyber related risks

- (d) Training and capacity building for staff and customers on cyber risks;
- (e) Bringing Intelligence to Cybersecurity Management
- (f) Cyber Risk Insurance: Pros and Cons



ABA Policy Advocacy Committee Meeting



64. The ABA Policy Advocacy Committee held its second meeting for 2020 in an online format as it was not possible to hold a face-to-face discussion due to the ongoing COVID-19 pandemic. The main agenda of the meeting was to consider position papers on policy issues, which had been decided by the Committee to be the focus of the policy work of ABA

for 2020 at its first meeting for the year on February 28, 2020 in Negombo, Sri Lanka.

65. The position papers were presented by representatives of ABA member banks and ABA Knowledge partners who were invited and agreed to prepare the papers. Members of the ABA Board of Directors were invited to participate in the online meeting.

66. ABA Chairman and Managing Director/CEO of Hatton National Bank (HNB), Jonathan Alles, welcomed the meeting participants in his opening remarks, and proposed that the committee meet more frequently to provide members more opportunity to address relevant and timely policy issues.

67. Dilshan Rodrigo, Chairman of the ABA Policy Advocacy Committee and Chief Operating Officer of HNB, then gave his introductory remarks — providing a brief outline of the meeting agenda before proceeding to request each of the paper presenters to make their presentations:

1) Policy Paper on Promoting Cooperation in Crisis & Disaster Preparedness and Recovery

68. Christina Alvarez, Senior Vice President and Head of Corporate Planning Group at Rizal Commercial Banking Corporation (RCBC), shared the Bank’s experience in the area of crisis management and in the implementation of its Disaster Preparedness and recovery Plan during the Covid-19 pandemic.

2) Policy Paper Entitled “From Risk to Resilience: The Need for Asian Banks to Comprehensively Address Physical Climate Risks”

69. Dr. Adrian Fenton, Vice President, Asia Sustainable Finance at the World Wide Fund for Nature (WWF) Singapore, summarized his paper outlining the vital role financial institutions have in supporting adaptation efforts to address climate change as well as the dangers which physical risk brought about by climate change pose to the financial sector. The paper sought to start the process of addressing this by: (a) outlining what the physical risks are and why these should be a concern; (b) how physical risks can affect financial institutions, and (c) how physical risks can be addressed.



3) Policy Paper on Promoting Cooperation in Collaborating with Fintech Companies

70. Lionel Ho Tze-Kuang, Head, Digital Strategy, GS-Group, Digital at Maybank, presented a paper sharing Maybank's efforts and initiatives in collaborating with Fintech companies, the Bank's experience in addressing and overcoming challenges in doing so, and information on government policies and regulations aimed at promoting collaboration between banks and fintech companies.

4) Policy Paper Exploring the LIBOR Transition After 2021 and Its Implications for Banks

71. Oliver Hoffmann, Managing Director, Head of Asia, Erste Group Bank AG, presented a summary of his paper providing an update on the LIBOR situation and its impact on banks' lending operations. Among others, the paper considered alternative benchmarks following the non-availability of LIBOR in 2021 and how banks can prepare for it; identified fundamental problems related to LIBOR (e.g., conflict of interests, low liquidity, and small volume of trade) and the current challenges and the potential solutions; and (d) formulated recommendations on how banks can face the transition away from LIBOR.

5) Policy Paper on Promoting Cooperation on Cyber Security Management

72. Eric Wong, Group Information Officer, General Manager, Head of Technology and Productivity Division at The Bank of East Asia Ltd., summarized his paper discussing a structured cyber security cooperation model based on the People, Process, and Technology Framework for strengthening the cyber security controls to prevent cyber-attacks and to minimize the impact of successful attacks.

6) Policy Paper on Cyber Security Preparedness

74. Suresh Emmanuel, HNB Chief Information Security Officer, presented a summary of his paper sharing a systematic approach for a bank to improve and strengthen its cyber preparedness and resilience. According to HNB, cybersecurity should be an important and amplifying component of a bank's overall risk management. Hence, a bank should build a strategy which is based on the following preparedness principles, namely: (a) identify, (b) protect, (c) detect, (d) respond, and (e) recover.

Participation in Webinars Conducted by Other ABA Knowledge Partners

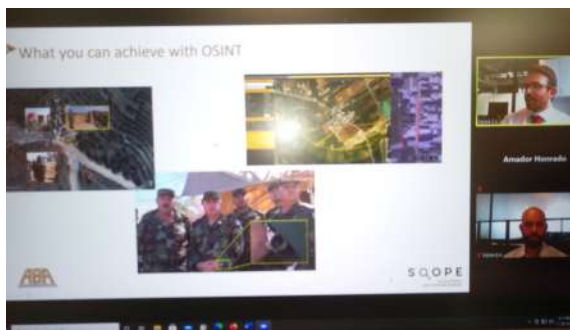


75. ABA forwarded to ABA members the invitation to join webinars organized by ABA Knowledge Partners and other associate organizations. By joining forces with its Knowledge Partners, ABA hopes to provide its members the opportunity to connect online with their colleagues from other organizations



Webinar on WEBINT for KYC with Sqope

76. The ABA and Sqope S.A. successfully conducted a webinar on “WEBINT for KYC” on November 26, 2020 at 3:00 PM, Taipei time. Sqope S.A. is a global provider of high-quality intelligence reports on individuals and corporate entities, tailored to the needs of the financial sector. It was the first collaboration between the two organizations in providing training on a topic of current interest to ABA members and other bankers and industry practitioners.



77. The webinar was moderated by Mr. Leron Vulfson, Head of Asia Desk and Relationship Manager in Asia at Sqope. The main speaker was Mr. Lev Yuriditsky, Head of Intelligence at Sqope S.A who has 10 years of experience on the intelligence field, building and managing global research teams in the fields of geopolitics and terror monitoring

77. As a background, the finance sector has been facing numerous scandals since the early 2000s, mostly deriving from the rapid change of technology and the exponential growth of the Internet and the data available in it. These changes, along with a global shift of financial regulations regarding KYC and AM/CFT procedures, had revised the way financial institutes have to act and react, adapting to the new standards of compliance within the industry.



78. Mr. Yuriditsky outlined major challenges and shared with participants his guidance on how to better use different layers of the Internet and free tools, as well as how to structure your investigation, as part of KYC/Onboarding of HNWI. He explained how WEBINT (Web Intelligence) can be applied daily to enable executives take bold decisions while actively contributing to global compliance efforts.