



HIGH-LEVEL POLICY DIALOGUE ON REGIONAL COOPERATION TO SUPPORT INNOVATION, INCLUSION, AND STABILITY IN ASIA

11 OCTOBER 2018
GRAND BALI NUSA DUA



MEETING OVERVIEW

High-Level Policy Dialogue on Regional Cooperation to Support Innovation, Inclusion, and Stability in Asia

**Sahadewa Room, Grand Bali Nusa Dua, Indonesia
11 October 2018**

Technology has been a driving force for economic growth and development in Asia. In the late 20th century, the advent of digital technology presents immense opportunities and challenges to many developing economies in Asia. Now, new innovations such as 3D-printing, Internet of Things, Artificial Intelligence, and robotics are introducing sweeping changes that could affect industrial and business models. In the realm of finance: e-commerce, mobile-enabled payment system, distributed ledger technology, blockchains, virtual currencies, machine learning, and big data are expanding the market reach of small business as it transforms the financial landscape with huge potential benefits as well as costs. On possible benefits: financial technology could enhance access to finance and bring down the relevant cost. The diffusion and application of digital-finance technology could raise access to credit in rural areas and agriculture, greatly improving living standards. It could also increase access to education. Merger between technology and finance will also help expand the market reach of small business. However, the potential risks are many including cyber fraud, data breaches, money laundering, and terrorism financing.

How Asia embraces these new technologies will determine the economic future of the region. Depending on how these innovations are taken and handled, new windows of opportunity or windows of destruction will open, dividing the winners and losers. Generally, technology development and innovation diffusion can only happen effectively when you have a flexible policy environment, where regulation, which is necessary in some cases, does not discourage entry of new ideas, new technologies and startups. There are also innovation-related uncertainties—from both the supply and demand sides—that need to be managed. Supply-side uncertainties relate mostly to private-public cooperation or joint Research and development projects. On the demand side, standard setting, which defines the issue of competition, is a key source of technological uncertainty.

And it is the role of governments to provide the policy and regulatory environment upon which this technological advancement will thrive. It is also their role to construct sufficient policy and regulatory requirements to ensure that the disruptive force of technological advancements can be channeled to promote competition, productivity, and innovation while maintaining financial stability. Key challenges to the region's policy makers are how to manage the stable yet productive transformation brought upon by the new technology by considering all options to maximize the benefits and mitigate the costs.

Asia's Future—Harnessing Technology to Promote a Stronger and More Inclusive Asia:

A high-level panel will gather the region's policy makers and international experts to discuss the role of national policies and regional cooperation to harness the potential of new technology in promoting financial inclusion and stability in Asia. In particular, the panel will aim to answer the following questions:

What are the new opportunities and challenges associated with rapid technology-driven transformation in the region's financial systems and markets? What are the key policy and regulatory issues to unlock the technology potential and minimize the adverse consequences?

How can Asia harness the technology potential to enhance financial inclusion and help meet its long-term development needs? In particular, how can policy makers ensure Financial technology solutions to assist those currently excluded from financial services and help them engage in economic activities and enjoy the growth benefits? What are the barriers and challenges to doing so?

What is the role of the private sector, financial regulators, and policy makers in promoting innovation and facilitating the use of financial technology? Financial technologies are not without risks. How can they all work together to safeguard financial stability and security during the revolutionary transformation?

What is the role of international organizations and Multilateral development banks in shaping a more consistent, harmonized, and sufficient regulatory framework and creating an enabling environment, including international rules and standards?

MEETING AGENDA

High-Level Policy Dialogue on Regional Cooperation to Support Innovation, Inclusion, and Stability in Asia

Sahadewa Room, Grand Bali Nusa Dua, Indonesia
11 October 2018, 3 p.m.–5 p.m.

2:30 p.m.–3 p.m.	Registration
Opening Session	
3 p.m.–3:05 p.m.	Welcome Remarks: Junhong Chang , Director, ASEAN+3 Macroeconomic Research Office
3:05 p.m.–3:10 p.m.	Opening Remarks: Mirza Adityaswara , Senior Deputy Governor, Bank Indonesia
3:10 p.m.–3:15 p.m.	Introduction of the Moderator and the Panel
Panel Discussion	
3:15 p.m.–4:50 p.m.	Panelists: Takehiko Nakao , President, Asian Development Bank Ravi Menon , Managing Director, Monetary Authority of Singapore Veerathai Santiprabhob , Governor, Bank of Thailand Diwa Guinigundo , Deputy Governor, Bangko Sentral ng Pilipinas Abdul Rasheed Ghaffour , Deputy Governor, Bank Negara Malaysia Neav Chanthana , Deputy Governor, National Bank of Cambodia Mary Ellen Iskenderian , President and Chief Executive Officer, Women's World Banking Moderator: Tanya Beckett , Broadcast Journalist, BBC World News
4:50 p.m.–5 p.m.	Photo Session

PROFILES OF SPEAKERS AND PANELISTS



Junhong Chang
Director, ASEAN+3 Macroeconomic Research Office

Junhong Chang became the third director of the ASEAN+3 Macroeconomic Research Office (AMRO) in May 2016.

Ms. Chang's career in public and international public service spans over two decades. This has provided her with rich experiences in regional and multilateral economic and financial fora, as well as profound insights on the global economy, international finance, international development, and regional financial cooperation.

Prior to her appointment in AMRO, Ms. Chang served as Deputy Director General of the Department of International Economic Relations in the Ministry of Finance in the People's Republic of China (PRC). From 2011 to 2015, she had been responsible for the PRC's engagement in multilateral platforms such as the G20, APEC, and ASEAN+3, as well as bilateral economic and financial dialogues with other major economies. Ms. Chang has also held several senior positions in international financial institutions, including Alternate Executive Director for the PRC at the World Bank Group (2009–2010) and Advisor to the Executive Director for the PRC at the Asian Development Bank (2002–2004).

Ms. Chang holds a PhD in Economics from the Institute of Asia Pacific Studies of the Chinese Academy of Social Sciences and a Master of Engineering from the Management School of Tianjin University, People's Republic of China.



Takehiko Nakao
President, Asian Development Bank

Takehiko Nakao is the President of the Asian Development Bank (ADB) and the Chairperson of ADB's Board of Directors. He was elected President by ADB's Board of Governors and assumed office in April 2013.

Before joining ADB, Mr. Nakao was the Vice Minister of Finance for International Affairs at the Ministry of Finance in Japan.

In a career spanning more than three decades, Mr. Nakao has gained extensive experience in international finance and development. He has held senior positions in the Ministry of Finance in Japan, which he joined in 1978, including Director-General of the International Bureau, where he fostered close ties with leading figures in the Asia and the Pacific region, and G20 nations.

He was assigned as Minister at the Embassy of Japan in Washington DC, between 2005 and 2007, and from 1994 to 1997 served as economist and advisor at the International Monetary Fund.

He has published books and numerous papers on financial and economic issues, and in 2010 and 2011 was a Visiting Professor at the University of Tokyo.

Born in 1956, Mr. Nakao holds a bachelor's degree in economics from the University of Tokyo and a master's degree in business administration from the University of California, Berkeley.



Veerathai Santiprabhob
Governor, Bank of Thailand

Veerathai Santiprabhob has been the Governor of the Bank of Thailand since October 2015. He also currently serves as a member of the Securities and Exchange Commission Committee, the National Economic and Social Development Board and the State-Owned Enterprise Policy and Supervisory Committee. Since 2017, he has served as the Chair of the Central Bank Governance Group and the Asian Consultative Council of the Bank for International Settlements.

Mr. Santiprabhob is a macroeconomist, strategist, and a financial professional with more than 20 years of experiences in economic policy design, commercial banking, and capital markets. He began his career as an economist at the International Monetary Fund before serving as a co-director of Policy Research Institute of Thailand's Ministry of Finance during the 1997 Asian financial crisis. He had spent most of his career in the private sector serving as a senior executive of Siam Commercial Bank, PCL and The Stock Exchange of Thailand. He had also served as an advisor of Thailand Development Research Institute and a board member of various leading corporations.

Mr. Santiprabhob received his Bachelor of Arts (first class honors) in economics from Thammasat University in 1988 and Master of Arts and PhD in economics from Harvard University in 1994, sponsored by His Majesty the King Bhumibol Adulyadej's Anandamahidol Foundation. He was awarded the Eisenhower Fellowship in 2013.



Ravi Menon
Managing Director, Monetary Authority of Singapore

Ravi Menon has been Managing Director of the Monetary Authority of Singapore (MAS) since 2011. The MAS is Singapore's central bank and integrated financial regulator.

On the international front, Mr. Menon is a member of the Financial Stability Board Steering Committee. He chaired the FSB Standing Committee on Standards Implementation (2013–2017), the International Monetary and Financial Committee Deputies Meetings (2011–2015) and the APEC Senior Officials Meetings (2009).

Mr. Menon was Permanent Secretary at the Ministry of Trade and Industry (2007–2011), where he led the ministry's work in economic strategy; energy policy; research and development; and international trade. Mr. Menon was Deputy Secretary at the Ministry of Finance (2003–2007), where he was responsible for fiscal policy and government reserves. Mr. Menon spent the first 16 years of his career at the MAS, which he joined in 1987.

A recipient of the Singapore Government's Meritorious Service Medal and Public Administration (Gold) Medal, Mr. Menon has served on boards in the public, private, and people sectors. He was chairman of the Singapore Co-operation Enterprise; deputy chairman of the Central Provident Fund Board; and a board member of the Housing and Development Board; Singapore Totalisator Board; Agency for Science, Technology, and Research; Civil Service College; and National Research Foundation. He was also on the board of directors of DBS Bank, the largest bank in Southeast Asia. Mr. Menon is currently chairman of the Institute of Banking and Finance and serves on the board of trustees of the Singapore Indian Development Association, a community volunteer group.

Mr. Menon holds a master's degree in public administration from Harvard University and a Bachelor of Social Science (Honours) in economics from the National University of Singapore. A two-time winner of the Prime Minister's Book Prize, Mr. Menon was a prefect and scout leader at Raffles Institution where he had his secondary education.



Mirza Adityaswara
Senior Deputy Governor, Bank Indonesia

Mirza Adityaswara earned his bachelor's degree in economics from the University of Indonesia. He obtained a Master of Applied Finance from Macquarie University, Sydney, Australia in 1995.

He began his career as a Dealer at Sumitomo Niaga Bank in 1989. From 2002 to October 2005, he served as Director, Head of Securities Trading and Research, Bahana Securities. In November of the same year, he became the Director, Head of Equity Research and Analysis Bank at Credit Suisse Securities Indonesia. During 2008–2010, Mirza served as Managing Director, Head of Capital Market, Mandiri Sekuritas, as well as Chief Economist of Bank Mandiri Group.

Prior to being appointed as Senior Deputy Governor of Bank Indonesia, he served as a Member of the Deposit Insurance Institution Board of Commissioners (LPS) and since April 2012 was assigned as the Chief Executive of the LPS and Board of Commissioners. He was sworn in as Senior Deputy Governor of Bank Indonesia on 3 October 2013 for the period 2013–2014. In 2014, his term of office was extended for the next five years. In addition to being a Senior Deputy Governor of Bank Indonesia, he is also a Member of the Board of Commissioners of the Financial Services Authority Ex-Officio or representing Bank Indonesia since 20 August 2015.



Diwa C. Guinigundo
Deputy Governor, Bangko Sentral ng Pilipinas

Diwa C. Guinigundo rose from the ranks of the Bangko Sentral ng Pilipinas (BSP) and is now Deputy Governor for the Monetary and Economics Sector, BSP. He has been serving the BSP for 40 years. He was Assistant Governor for monetary policy and international operations prior to his appointment as Deputy Governor in 2005.

In 2001–2003, he was Alternate Executive Director at the International Monetary Fund in Washington, DC. Earlier he was Head of Research at The SEACEN (Southeast Asian Central Banks) Centre in Kuala Lumpur in 1992–1994.

Since 2000, Mr. Guinigundo has cochaired with Bank Negara Malaysia the SEACEN Experts Group on Capital Flows and in 2010–2013, the ASEAN Senior Level Committee (SLC) on Financial Integration. He serves as cochair of the SLC for the second time in 2016–2018. He also chaired the SEACEN Task Force on SEACEN membership.

For the period 2009–2012, he chaired the Executive Meeting of East Asia and the Pacific (EMEAP) Monetary and Financial Stability Committee of EMEAP central bank deputies that is tasked to conduct regional and global surveillance.

Mr. Guinigundo graduated, cum laude, at the top of his AB Economics Class at the University of the Philippines School of Economics. He earned the Master of Science degree in economics at the London School of Economics as a scholar of the Central Bank of the Philippines.



Abdul Rasheed Ghaffour
Deputy Governor, Bank Negara Malaysia

Abdul Rasheed Ghaffour is Deputy Governor, Bank Negara Malaysia and is responsible for the overall development of the Malaysian financial sector, which includes the banking, insurance, and payments development functions, as well as Islamic banking and takaful development. He is also responsible for the Bank's Monetary and Economics Sector, which also includes the international relations and statistical services.

He is a member of the Monetary Policy Committee, the Management Committee, Financial Stability Executive Committee, the Reserve Management Committee and the Risk Management Committee of the Bank.

Prior to his appointment as Deputy Governor, he was the Assistant Governor for the Bank's Monetary and Economics Sector. He was on a two-year secondment as the Alternate Executive Director for Malaysia on the Executive Board of the International Monetary Fund in Washington DC from 2012 to 2014.

He started his career in the Bank Regulation Department of Bank Negara Malaysia and during his career in the Bank that spans over 20 years, he has been involved in key areas of central banking, including policy formulation in financial sector development, financial surveillance and prudential policies for the banking and insurance sector.

Abdul Rasheed Ghaffour has an Honours degree in economics from the University of Malaya.



Neav Chanthana
Deputy Governor, National Bank of Cambodia

Neav Chanthana holds two degrees from Monash University (economics and accounting, and finance), Melbourne, Australia. Before joining the National Bank of Cambodia, she was a member of the Australia's National Institute of Accountants. She joined the National Bank of Cambodia (NBC) in 1993 and worked at Banking Supervision in a career spanning several management positions and has been appointed as Deputy Governor of the Central Bank since 2004. She is a member of the NBC's Board, a Chair of the Consultative Committee for Supervision (regulatory body), and Financial Stability Committee within the NBC. She is also a member of the Securities and Exchange Commission of Cambodia.



Mary Ellen Iskenderian
President and Chief Executive Officer, Women's World Banking

Mary Ellen Iskenderian is President and Chief Executive Officer of Women's World Banking, the global nonprofit devoted to giving more low-income women access to the financial tools and resources they require to achieve security and prosperity. Ms. Iskenderian joined Women's World Banking in 2006 and leads the Women's World Banking global team, based in New York and also serves as a member of the Investment Committee of its \$50 million impact investment fund.

Prior to Women's World Banking, Ms. Iskenderian worked for 17 years at the International Finance Corporation, the private sector arm of the World Bank. Before, she worked for the investment bank Lehman Brothers. Ms. Iskenderian is a permanent member of the Council on Foreign Relations, as well as a member of the Women's Forum of New York and the Business and Sustainable Development Commission. Ms. Iskenderian is also a 2017 Rockefeller Foundation Bellagio Center Fellow.

Ms. Iskenderian holds a Master of Business Administration from the Yale School of Management and a Bachelor of Science in international economics from Georgetown University's School of Foreign Service.

Moderator



Tanya Beckett
Broadcast Journalist, BBC World News

Tanya Beckett has worked in broadcasting and the media for over twenty years. She started out at the Financial Times, then went to work for CNBC, Sky News, CNN and since 1998, the BBC. She has worked on a variety of programmes in BBCWorldNews, the Newschannel, Radio 4 and BBC1 and BBC2 including Our World, Working Lunch, Today, World Business report, Newsnight and World Business Report. She also spent 3 years living in and reporting from New York for the BBC. She also works with the World Bank, Chatham House, and the Foreign Office in matters relating to trade and communication. Ms. Beckett has a degree from Oxford University in metallurgy and materials science and spent 5 years as an investment banker in Frankfurt and London. She speaks fluent German, good French and some Spanish.

ORGANIZERS' PROFILES



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The Asian Development Bank (ADB) was conceived in the early 1960s as a financial institution that would be Asian in character and foster economic growth and cooperation in one of the poorest regions in the world.

ADB envisions a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty in the region. In partnership with member governments, independent specialists and other financial institutions, ADB is focused on delivering projects in developing member countries that create economic and development impact.

As a multilateral development finance institution, ADB provides loans, technical assistance, and grants. Our clients are our member governments, who are also our shareholders. In addition, we provide direct assistance to private enterprises of developing member countries through equity investments and loans.

ADB maximizes the development impact of its assistance by facilitating policy dialogues, providing advisory services, and mobilizing financial resources through cofinancing operations that tap official, commercial, and export credit sources.

To achieve our vision, we focus on seven operational priority areas. Our support in these areas are delivered through both public and private sector operations, advisory services, and knowledge support.

- addressing remaining poverty and reducing inequality
- accelerating progress in gender equality
- tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability
- making cities more livable
- promoting rural development and food security
- strengthening governance and institutional capacity
- fostering regional cooperation and integration

From 31 members at its establishment in 1966, ADB has grown to encompass 67 members—of which 48 are from within Asia and the Pacific, and 19 outside.



ASEAN+3 Macroeconomic Research Office

The ASEAN+3 Macroeconomic Research Office (AMRO) was established to contribute to securing economic and financial stability of the ASEAN+3 region, which includes 10 members of the Association of Southeast Asian Nations (ASEAN) and the People's Republic of China, Japan, and the Republic of Korea. AMRO is envisioned to be an independent, credible and professional regional organization acting as a trusted policy advisor to its members.

In order to fulfil its mandate, AMRO's work focuses on three core functions: conducting macroeconomic surveillance, supporting the implementation of the Chiang Mai Initiative Multilateralisation (CMIM), a multilateral currency swap arrangement among ASEAN+3 members, and providing technical assistance (TA) to its members.

For surveillance, AMRO's operational priorities are to further strengthen country surveillance; reinforce regional surveillance; develop a comprehensive surveillance framework and analytical toolkits; and enhance the work on functional and sectoral surveillance, and on thematic studies and research. To support ASEAN+3 members in CMIM implementation, AMRO's effort centers on providing support to the members to ensure that the CMIM is operationally ready. Regarding the TA program, AMRO provides secondment, consultancy, and research and training programs to the members to enhance their human and institutional capacities for macroeconomic surveillance and implementation of CMIM.

AMRO was initially established as a company limited by guarantee in Singapore in April 2011 and transformed into an international organization in February 2016.



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The establishment of Indonesia's central bank is a mandate of the 1945 Constitution. The structure, status, authority, responsibility, and independence of the central bank are stipulated in the Law No. 23 of 1999 on Bank Indonesia, which has been amended several times, most recently with the Law No. 6 of 2009.

Bank Indonesia realizes the importance of its role in maintaining domestic economic stability. Therefore, Bank Indonesia launched a transformation program to achieve Bank Indonesia's vision to become the best and credible central bank in the region by 2024. Meanwhile, in implementing its tasks, Bank Indonesia continuously strengthens coordination and collaboration among institutions.

Bank Indonesia is led by a Board of Governors which comprises a Governor, a Senior Deputy Governor, and four to seven Deputy Governors. Each member of the Board serves for five years and can be reelected for the same position for another period. Members of the Board of Governors are nominated and appointed by the President with the approval of the House of Representatives of the Republic of Indonesia. To acquire appropriate and proper candidates, the House of Representatives conducts a selection process to gain an in-depth understanding of the vision, experience, expertise, and integrity of the candidates.

Members of the Board of Governors of Bank Indonesia in 2018 are the following:

- Governor: Perry Warjiyo
- Senior Deputy Governor: Mirza Adityaswara
- Deputy Governors: Erwin Rijanto, Sugeng, Rosmaya Hadi, and Dody Budi Waluyo