

# 2<sup>ND</sup> ASIA FINANCE FORUM

# F I N T E C H    A N D S U S T A I N A B L E D E V E L O P M E N T

8-10 NOVEMBER 2017, ADB HEADQUARTERS, MANILA, PHILIPPINES

*Draft as of 7 November 2017*

The conference, in collaboration between the Asian Development Bank, Asian Development Bank Institute, Alliance for Financial Inclusion, Bill & Melinda Gates Foundation, Consultative Group to Assist the Poor and the Government of Luxembourg aims to bring together policy makers, financial sector supervisors and regulators, financial institutions, financial technology (FinTech) companies, academia, as well as financial sector experts to discuss the growing importance of FinTech in shaping the financial system of the new economy including logistics infrastructure, payment systems, financial services, cloud computing and data collection.

The conference will focus on:

- new developments in FinTech and its impact on Sustainable Development Goals;
- how the transition to a cashless digital economy is impacting urban development and employment
- digital finance and the future of commerce;
- innovations in FinTech that are impacting access to finance, including agricultural value chains
- digital finance and new developments in insurance;
- the balancing act regulators are faced with: prudential, market side, risk governance, against creating an appropriate enabling to support innovation via the test-and-learn and sandbox approaches and the potential role of cross-border/international recognition for FinTech approvals;
- regulatory, policy and physical infrastructures for an integrated financial ecosystem;
- accelerating financial inclusions through digital identification systems;
- challenges of cyber security for FinTech operations;
- data privacy, financial education and consumer protection;
- the role of governments and multilateral development banks in the application of FinTech for sustainable and resilient infrastructure development;
- country and regional priorities to support the expansion of digital financial services and electronic payments;
- spring boarding pilot projects using digital financial technologies into full blown projects; and
- how multilateral development banks can leverage Fintech in bringing private investment to developing countries.

#DigiFin17

# Day 1: 8 November 2017



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|-------------|---|--|----------|
| 8:00 - 8:30 | <b>Registration</b>   |  |          |
| 8:30 – 8:45 | <b>Welcome Address</b>  | Bambang Susantono,<br>Vice President (Knowledge Management and Sustainable Development),<br>Asian Development Bank                     | Audi A-D |
| 8:45 - 8:50 | <b>Objectives of the Meeting</b>  | Lotte Schou-Zibell,<br>Chief of Finance Sector Group, Sustainable Development and Climate Change Department,<br>Asian Development Bank | Audi A-D |
| 8:50 - 9:20 | <b>Keynote Opening: Sustainable Development Goals and Digital Finance</b> | Chen Long, Chief Strategy Officer,<br>Ant Financial Services Group   | Audi A-D |
| 9:20 – 9:30 | <b>Conference Programme and Introduction of Conference App</b>            | Jost Wagner, Lead Facilitator  | Audi A-D |

### 9:30 - 10:30 **Session 1: Making the Last Mile the First Opportunity with FinTech**

*The adoption of digital technology for enhanced access to finance is being seamlessly integrated into the day-to-day lives of Asian consumers at a much faster rate than the developed world due to the leapfrogging effect. It is facilitating payments for a broad range of individuals and small businesses. New developments are also providing opportunities for trade-offs in the areas of consumer protection, stability, and data privacy.*

*This session will delve into new developments for making high quality financial services for the poor, financial offerings for startup entrepreneurs, the rise of online lending platforms and e-commerce players, and the developments that are altering the perspectives of the markets through the lenses of more information and analysis, and the emergence of financial technology.*

#### **Moderator**

Lotte Schou-Zibell, Chief of Finance Sector Group, SDCC, Asian Development Bank

#### **Panelists**

Michael Wiegand, Director, Financial Services for the Poor, Bill & Melinda Gates Foundation

Chen Long, Chief Strategy Officer, Ant Financial Service Group

Jo Ann Barefoot, Founder and Chief Executive Officer, Barefoot Innovation Group

Ellison Pidik, Assistant Governor, Bank of Papua New Guinea

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|               |   |          |
|---------------|---|----------|
| 10:30 – 11:00 | <b>Coffee Break</b>   |          |
| 11:00 – 12:00 | <b>Session 2: How FinTech is impacting urban development across Asia?</b> | Audi A-D |

*Asia is currently leading the world in implementing wholesale smart city change — the integration of multiple information and communication technology (ICT) solutions in a secure fashion to better facilitate transportation systems, access to clean water and energy and other key services. The goal of building a smart city is to improve the quality of life by using technology to improve the efficiency of services and meet residents' needs. Given the momentum behind smart cities, governments across Asia are leveraging on FinTech to bring relevant innovation to urban challenges, including increasing urban density, increasing energy usage, improved transportation services, as well as consumer needs.*

*This session will focus on developments related to improving transportation and access to energy and water. It will provide examples of how governments in developing member countries (DMCs) are aggressively supporting the transition to a cashless digital economy via both funding and FinTech innovations.*

#### **Moderator**

Shirin Hamid, Principal Director (CIO), Office of Information Systems and Technology,  
Asian Development Bank

#### **Panelists**

Vijay Padmanabhan, Director, SEUW conc. Chief of Urban Sector Group, ADB  
Anthony Thomas, President and Chief Executive Officer, Mynt  
Peter Maher, President and Chief Executive Officer, AF Payments Inc.  
Triyono, Advisor of Digital Finance Innovation & Microfinance Dev't. Group, Indonesia  
Financial Services Authority

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|---------------|--|-------------------------------|----------|
| 12:00 – 12:30 | <b>Introduction to Digital Finance Marketplace</b> | Jost Wagner, Lead Facilitator | Audi A-D |
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| 12:30 - 14:00 | <b>Lunch</b> |
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|---------------|---|-------|
| 14:00 – 15:00 | <b>Session 3: First Round of Breakout Sessions</b>              |       |
|               | <b>Session 3(a): Digital Finance and the future of commerce</b> | MFH 1 |

*FinTech is changing global commerce, trade, cross border payments, logistics and retail. Fintech is enabling business-to-business (B2B) value chains, especially for small and medium-sized enterprises (SMEs) to more easily sell items across borders.*

*This session will discuss how FinTech players are using new technologies such as blockchain and smart contracts to facilitate trade and supply chain finance. In addition, various world payment processors using fintech to more rapidly support cross-border B2B trade will be covered.*

#### **Moderator**

Steven Beck, Head of Trade and Supply Chain Finance, Private Sector Operations

Department, ADB

### Panelists

Elene Grigolia, LMD Component Manager, National Registry, Georgia  
Cyn-Young Park, Director for Regional Cooperation and Integration, Economic Research and Regional Cooperation Department, Asian Development Bank  
Claudio Lisco, Strategic Initiatives Lead, ConsenSys  
Jordane Rollin, Head, Digital Transformation, Trade Finance Global Products, Standard Chartered Bank

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### Session 3(b): Financing agriculture value chains in the digital age

MFH 2

*Enhancing agricultural productivity is critical to ensure global food security. Pursuing initiatives to overcome lenders' perceptions of risks and returns is changing through new innovations in value chain financing. In addition, new technologies are helping farmers confront local constraints to production, encourage more sustainable farming practices, food safety, post-harvest management, better market access, and efficiencies in supply chain management. Using data and analytics FinTech solutions provide opportunities to low-income populations to improve their financial resilience.*

*This session will highlight examples and successful experiences in the use of FinTech that support agriculture value chains across Asia and the Pacific.*

### Moderator

Akmal Siddiq, Director, Central and West Asia Department, ADB

### Panelists

Prasun Kumar Das, Secretary General, Asia-Pacific Rural and Agricultural Credit Association  
David Davies, Founder and Chief Executive Officer, AgUnity Pty Ltd.  
Emma Weston, Co-Founder and Chief Executive Officer, AgriDigital, Australia  
Andreas Senjaya, Chief Executive Officer, iGrow Resources Indonesia Inc.

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### Session 3(c): Innovations in digital technologies that are impacting access to insurance

MFH 3

*FinTech innovations such as data analytics, biometric identification, psychometric testing and mobile technology have the potential to protect businesses, lives, health, and newfound property of millions from the impact of financial shocks by providing them access to basic insurance services. New technologies and new business models can offer affordable insurance that is accessible through digital financial technologies and available at mass scale.*

*This session will highlight how Insurtech is connecting insurance, technology and innovation in Asia and identify actions that can accelerate the pace of insurance penetration in this region.*

**Moderator**

Ying Qian, Director, East Asia Department, Asian Development Bank

**Panelists**

Alex Chen, Founder and Chief Executive Officer, Asia Risk Transfer Solutions Pte. Ltd

Tapan Singhel, Chief Executive Officer, Bajaj Allianz General Insurance Co. Ltd., India

Robert Bauer, Managing Director, Commercial Innovation & Head, Sharing Economy Practice Group, AIG

Agnes Hugot, Co Founder of Fast Track Trade, Cites Gestion Pte Ltd.

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**Session 3(d): Spring boarding pilot projects using digital financial technologies into full-blown projects**

Lecture  
Theater 2

*When does piloting actually make sense? ADB is supporting pilot projects using digital financial technologies. The reasons for doing a pilot project come down to three main reasons: **Manage Risk**: Whether the project is implementing a new technology or a new process, risk plays a major factor in whether business stakeholders will move forward with the proposed change. The pilot project can be used as an opportunity to implement the solution in a limited capacity where the impact of failure is limited. Once the pilot project is executed, the risks that were identified at the beginning of the project can be evaluated in terms of the actual solution being implemented. **Validate Benefits**: While risk falls on the cost side of the equation, a project would not be considered unless it had some reasonable perceived benefit. A pilot project provides an opportunity to discover or validate benefits by applying the solution concepts in a limited-scope fashion. **Promote Change Management**: The biggest hindrance to change in any organization is the people within it. Regardless of how much you 'sell' the solution with ROI statistics and qualitative benefits, there are always those that will only 'believe it when they see it'.*

*This session will discuss the reasons for executing a pilot project, including the risks, the benefits, and also the challenges to springboard the pilot into a full-blown project/solution.*

**Moderator**

Bruno Carrasco, Director, South Asia Department, Asian Development Bank

**Panelists**

Tanya Hotchkiss, Executive Vice President, Cantilan Bank, Inc.

Giorgi Samadashvili, Chief Operating Officer, FINCA Bank Georgia

Dominic Mellor, Mekong Business Initiative, Viet Nam Resident Mission, ADB

Ganhuyag Chuluun Hutagt, Chief Executive Officer, Ard Financial Group

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15:00 – 15:30 **Coffee Break**

15:30 – 17:30 **Digital Finance Marketplace**

Audi A-D

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17:30 onwards **Cocktail Reception**

# Day 2: 9 November 2017



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|--|---|---|----------|
| 8:30 – 9:00  | <b>Networking Coffee</b>  |   |          |
| 9:00 – 9:05  | <b>Recap</b>  |   |          |
| 9:05 – 9:15  | <b>Welcome Address</b>  | Ingrid van Wees, Vice President (Finance and Risk Management), Asian Development Bank | Audi A-D |
| 9:15 – 9:35  | <b>Keynote Opening Session<br/>Digital Finance: Balancing<br/>Regulation and Policies</b> | Alfred Hannig, Executive Director, Alliance for Financial Inclusion                   | Audi A-D |
| 9:35 – 10:45   | <b>Session 4: Creating an enabling FinTech environment</b>                                |   | Audi A-D |
| <p><i>Fintech is creating a whole new world of possibilities for the financial services sector. There are clear prospects for financial technologies to make the financial system even more efficient, effective and resilient. At the same time, innovations can also generate systemic risks through increased interconnectedness and complexity, liquidity risks, increased operational risk and opportunities for regulatory arbitrage. As those risks emerge, authorities will need to pursue increased focus on the appropriateness of legal and regulatory frameworks, a broader commitment to resolution regimes, and a more disciplined management of operational and cyber risks. To help realize FinTech's promise, governments in DMCs are working together with international institutions in creating a favorable and enabling environment for the development of Fintech through innovation labs, incubators and accelerator programs.</i></p> <p><i>This session will discuss how regulators and policy makers are balancing innovation with consumer protection, anti-money laundering (AML) and combating the financing of terrorism (CFT) measures, data protection, privacy, and cyber-crime. It will also look at the role of regulatory sandboxes to allow businesses to test innovative products, services, business models and delivery mechanisms in a live environment and with proportionate regulatory requirements.</i></p> <p><b>Moderator</b><br/>SungAh Lee, Senior Program Officer, Bill &amp; Melinda Gates Foundation</p> <p><b>Panelists</b><br/>Ellison Pidik, Assistant Governor, Bank of Papua New Guinea<br/>Alfred Hannig, Executive Director, Alliance for Financial Inclusion<br/>Tobias Fischer, Director of Corporate Development, Capital Match Holdings Pte. Ltd.</p> |   |   |          |
| 10:45 – 11:15  | <b>Coffee Break</b>   |   |          |

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 <http://bit.ly/2t6lq4N>

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11:15 – 12:30

**Session 5: ICT Infrastructure and FinTech**

Audi A-D

*To harness the potential of FinTech, an integrated ecosystem that includes payment and telecom infrastructure, broadband, mobile, digital identity systems are necessary. This session will review the regulatory, policy and physical infrastructure prerequisites that require different stakeholders to address these issues. This includes regulators, policy makers, government agencies, financial institutions and fintech providers to come together to focus on key infrastructure issues to support a successful digital ecosystem. Examples of key policies and infrastructure needed as well as strategies to address this will be discussed and shared by the panelists.*

**Moderator**

Carolyn Dedolph Cabrera, Principal Knowledge Sharing & Services Specialist,  
Asian Development Bank

**Panelists**

Muhammad Arif Sargana, Director, Pakistan Telecom Authority  
Lowell Campbell, Principal Financial Sector Specialist, International Finance Corp.  
Yongping Zhai, Chief of Energy Sector Group, Asian Development Bank  
Enkhsaikhan Munkhjargalan, VP Consumer Product Marketing, Mobicom Corp. LLC

12:30 – 14:00

**Lunch**

14:00 – 15:15

**Session 6: Accelerating financial inclusion: The role of digital identification Systems**

Audi A-D

*FinTech solutions need to meet stringent 'Know Your Customer' (KYC) processes to help banks manage risks prudently and to prevent banks from being used for money laundering and financing of terrorism. The verification process also protects the consumer against cyber-crime besides ensuring privacy and security of identity. Governments are increasingly opting for "technology agnostic" national federated digital identity systems to improve the efficiency of the digital identity processes, using biometric and iris verification to minimize the costs and regulatory burden of customer authentication for financial services firms. The recognition and standardization of digital identity systems and the integration and improvement of payment efficiency are important initiatives to improve the broad payment infrastructure and further promote innovation and financial inclusion.*

*This session will discuss how countries have implemented national digital identification systems as well as look at those countries that have established tiered 'Know Your Customer' regulations to facilitate access utilizing various identification alternatives in markets that do not have a functioning national identification system in place.*

**Moderator:**

Arup Chatterjee, Principal Financial Sector Specialist, SDCC, ADB

**Panelists:**

Carol Benson, Chief Executive Officer, Glenbrook  
Anir Chowdhury, Policy Advisor (Access to Information), Prime Minister's Office,

Government of the People's Republic of Bangladesh  
Chuchi G. Fonacier, Deputy Governor, Bangko Sentral ng Pilipinas

|               |   |       |
|---------------|---|-------|
| 15:15 – 15:45 | <b>Coffee Break</b>   |       |
| 15:45 – 17:00 | <b>Session 7: Second Round of Breakout Sessions</b>   |       |
|               | <p><b>Session 7(a): Challenges of cyber security for FinTech operations</b></p> <p><i>The complex FinTech ecosystem remains vulnerable to cyber-attacks if it is insufficiently secure. Moreover, the current financial governance framework is led by a combination of financial regulators and corporate boards which lack an adequate level of understanding of cyber technologies and security realities. In such an environment, it's highly likely that those vulnerabilities will be found and exploited. Besides, causing immediate financial losses, breaches can undermine longer term confidence in new solutions, leading to lower adoption rates—particularly among users with less experience engaging with digital services. The cybersecurity decisions of today will define our FinTech tomorrow.</i></p> <p><i>This panel will discuss key vulnerabilities impacting the cybersecurity landscape in the context of FinTech operations, and the approaches that can help improve the security of emerging financial products and services and foster trust.</i></p> <p><b>Moderator:</b><br/>Anil Kumar Gupta, Associate Director, MicroSave</p> <p><b>Panelists:</b><br/>Nigel Phair, Managing Director, Centre for Internet Safety<br/>Md. Arfe Elahi, IT Manager, Access to Information Program, Prime Minister's Office<br/>Charmaine R.A. Valmonte, Head, IT Risk Management &amp; Resiliency Unit, Union Bank of the Philippines</p> | MFH 1 |
|               | <p><b>Session 7(b): Test-and-Learn Approaches, Regulatory Sandboxes and RegTech – the story so far</b></p> <p><i>Test-and-learn regulatory sandbox approaches have proven to be useful tools for the fintech industry in various jurisdictions. Over the recent years, there has been a wave of central banks across the region that have launched, or are in the process of launching, regulatory sandboxes. In addition, complying with regulatory requirements has made many regulators look at the promise of regulatory technologies (RegTech). RegTech applies the same agile, scalable, mobile-friendly solutions and rapid, low-cost cloud deployment to improve risk management, transaction monitoring, regulatory compliance, reporting, data storage and analytics.</i></p> <p><i>This session will discuss the new developments and trends in the use of regulatory sandboxes and RegTech as well as the impact so far given the level of complexity and the interconnectedness of financial markets.</i></p> <p><b>Moderator:</b><br/>John Owens, Senior Digital Financial Services Advisor</p>   | MFH 2 |

**Panelists:**

Tanya Hotchkiss, Executive Vice President, Cantilan Bank, Inc.  
Douglas W. Arner, Kerry Holdings Professor in Law, University of Hong Kong  
Antonio Separovic, Managing Director, Oradian  
Melchor Plabasan, Deputy Director and Head, CITSG, Bangko Sentral ng Pilipinas

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**Session 7(c): Data privacy, Financial Education and Consumer Protection**

MFH 3

*Data is central to the business models of many Fintech companies. Companies that are able to derive business insights from financial services data can spot and maximize new opportunities and reduce risk. At the same time, providing a Fintech company access to valuable personal financial data runs the risk of weakening a consumer's personal data privacy and compromising the customer confidentiality. It is therefore essential that companies build and maintain the trust of consumers and other stakeholders, for both reputational and compliance reasons. In addition, consumer protection in the digital age is increasingly important along with imparting financial education and improving customer awareness of digital financial services to build trust and confidence in the market. This is also key in growing a customer base, creating new markets, and developing a sustainable demand for accessible, affordable and appropriate digital financial products and services.*

*This session will discuss risks associated with the consumer offerings of fintech companies, data security practices, and any potential unintended consequences that could be viewed as harmful to consumers.*

**Moderator:**

Karen Miller, Chief Knowledge & Influence Officer, Women's World Banking

**Panelists:**

Hema Bansal, Director, Smart Campaign  
Brajesh Panth, Chief of Education Sector Group, Asian Development Bank  
Ivo Jenik, Financial Sector Specialist, Consultative Group to Assist the Poor

17:00 onwards

**Cocktail Reception**

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# Day 3: 10 November 2017



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|---------------|--|--|----------|
| 8:30 – 9:00   | <b>Networking Coffee</b>   |  |          |
| 9:00 – 9:10   | <b>Recap</b>   |  |          |
| 9:10 – 9:20   | <b>Welcome Address</b>   | Amy S.P. Leung, Director General, SDCC,<br>Asian Development Bank  | Audi A-D |
| 9:20 – 9:40   | <b>Keynote Opening<br/>Opportunities for FinTech in Asia</b>   | Michael Wiegand, Director, Financial<br>Services for the Poor, Bill & Melinda Gates<br>Foundation  | Audi A-D |
| 9:40 – 10:45  | <b>Session 8: Laying the foundation for digital finance and development priorities</b>   |  |          |
|               | <i>This session will discuss the essential ingredients needed to set a national strategy and agenda to promote the FinTech sector in collaboration with the industry and other key stakeholders, including regulators. It will identify the policy settings and regulatory best approaches that will help promote FinTech capability and thereby enable the evolution of FinTechs and innovators to develop, test and launch their innovative financial products and services for growing the real sector.</i> |  |          |
|               | <b>Moderator:</b><br>Gil-Hong Kim, Senior Director concurrently Chief Sector Officer, ADB  |  |          |
|               | <b>Panelists:</b><br>Lotte Schou-Zibell, Chief of Finance Sector Group, SDCC, Asian Development Bank<br>Kalin Radev, Chief Executive Officer, Software Group<br>Peter Lovelock, Director & Founder, Technology Research Project Corporate  |  |          |
| 10:45 – 11:15 | <b>Coffee Break</b>  |  |          |
| 11:15 – 12:15 | <b>Session 9: The way forward</b>  |  | Audi A-D |
|               | <i>In this session participants will break-up by region or countries to reflect on the way forward and report back to the main session to summarize findings and recommendations how each region (or country) will position in future. Each group will have a facilitator to support each group.</i>   |  |          |
| 12:00 – 12:30 | <b>Wrap-up of the conference and evaluation</b>  | Lotte Schou-Zibell, Chief of Finance Sector<br>Group, SDCC, Asian Development Bank   | Audi A-D |
| 12:30 – 12:45 | <b>Closing Remarks</b>   | Arsene Jacoby, Alternate Governor for<br>Luxembourg in the Asian Development Bank,<br>Director for International Financial Institution,<br>Ministry of Finance | Audi A-D |
| 12:45 – 14:00 | <b>Lunch</b>   |  |          |

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