

WELCOME REMARKS BY
MR HOOKYU RHU
EXECUTIVE DIRECTOR, THE SEACEN CENTRE
AT THE OPENING CEREMONY OF THE
SEACEN – TORONTO CENTRE COURSE ON RECOVERY
AND RESOLUTION PLANNING FOR WEAK BANKS
Siem Reap, Cambodia, 19-24 April 2015

Governor H.E. Chea Chanto, National Bank of Cambodia

Dr. Hooi Eng Phang, Program Director, Toronto Centre

Esteemed Speakers

Course Participants

Ladies and Gentlemen

Good Morning.

On behalf of The SEACEN Centre, I would like to extend to all of you a warm welcome to the ***SEACEN – Toronto Centre Course on Recovery and Resolution Planning for Weak Banks.*** First and foremost, I must express SEACEN's sincere appreciation to Governor Dr. Chea Chanto of the National Bank of Cambodia for kindly hosting this important SEACEN Course in this historic city of Siem Reap; I also wish to convey special thanks to Governor for making the time and effort to deliver the Opening Address. My special thanks go to the secretariat team lead by Ms. Reaksmey Keomorakot. The team has been working closely with The SEACEN Centre months before this event to ensure that excellent arrangements and warm hospitality are extended to the participants and resource speakers.

Please allow me to take this opportunity to extend my deepest appreciation to The Toronto Centre for sharing better practices with The SEACEN Centre by co-organising this learning program, and for putting in tremendous efforts to coordinate with all the other collaborators and resource speakers to ensure the success of this Course.

On this opening day of SEACEN-Toronto Centre Course on Recovery and Resolution Planning for Weak Banks, I would like to share with you some of my thoughts on how we can establish a new effective framework for recovery and resolution planning (RRP) for weak banks by leveraging

on the progress of extensive discussions of this issue since the recent global financial crisis (GFC).

Certainly we have new challenges in both the prevention and the management of financial crisis due to increased interconnectivity and integration in our financial systems. We have observed from the recent GFC that the manifestation of the crisis is highly dynamic, evolving with changing conditions during different stages of the crisis. However, while it may not be possible to totally avoid a future crisis, it is still possible to better prepare for the crisis and minimize its potential costs on the financial system and the economy.

Since the endorsement of the Key Attributes of Effective Resolution Regimes for Financial Institutions at the Canne G-20 Summit, reforms have been underway in many countries to align national resolution regimes and institutional frameworks more closely with the Key Attributes. Although the main focus of these reforms has been related with Global-SIBs, relevant concepts can be extended to domestic SIBs and systemically important non-bank entities. Also, I would like to emphasize that, besides the RRP of financial entities, further work on the specific features of recovery and resolution of financial market infrastructures (FMIs) has been in progress by the CPMI, the IOSCO and the IAIS over the past several years. Under such global efforts for crisis prevention initiatives, some financial regulators have come up with new regulatory regimes relating to Recovery and Resolution Plans such as those to be submitted to Bank of England's Prudential Regulation Authority and the US Federal Reserve Board and the Federal Deposit Insurance Corporation (FDIC).

This SEACEN course will explore key issues on how we can effectively build a sound framework to prevent or mitigate adverse impacts on our financial system and economy arising from future financial crisis. Since central banks are key policy institutions involved in crisis prevention and resolution both as lender of last resort and as financial regulator, I believe we can share a lot of valuable experiences and practical knowledge on this important topic during this course. I am also confident that all our course participants will be able to enrich their perspectives for recovery and resolution planning and thereby make even greater contribution to their nation's financial system stability in the future.

We are pleased to have onboard with us a team of experienced resource speakers from various institutions to share their wealth of knowledge with you. They are namely, in the order of appearance:

1. Mr. Michael Zamorski, Adviser , Financial Stability and Supervision, The SEACEN Centre
2. Mr. Jan Willem van der Vossen, Financial Stability Consultant and former Adviser, IMF
3. Ms. Lee Poh Fong, Deputy Director, Strategic Communications Department, Bank Negara Malaysia
4. Mr. David Farelius, Advisor, Financial Stability Department, Sveriges Riksbank, Sweden
5. Dr. Hooi Eng Phang, Program Director, Toronto Centre

With such a rounded team of resource persons, we at the SEACEN Centre hope that this course will enhance your recovery and resolution skills and bring you to greater heights.

Ladies and Gentlemen,

Let me briefly share with you about The SEACEN Research and Training Centre. As approved by the Board of Governors in February 2011, our new vision is “To be the Regional Learning Hub for Central Banks in the Asia-Pacific Region“. As a Learning Hub, SEACEN aspires to drive central bank excellence in learning for the region, by being a platform for collaboration for members to synergise efforts in central bank learning among themselves, and across SEACEN’s network base. The vision would be achieved through SEACEN’s mission in building capacity in central banking and fostering networking and collaboration. With strong commitments from our stakeholders as seen in this Course, we are confident that our vision will become a reality.

In organizing this learning event, participants will find it both fruitful and rewarding to learn from the resource persons as well as from other participants.

I wish to convey our gratitude to all resource persons for their commitment and support. It is my pleasure to inform you that 32 central bank officers from 14 economies in the Asia Pacific region will be participating in this course. I am confident that this week will be a highly intensive time of learning and the interaction between participants and speakers will enrich your learning experience in this area of supervision. Furthermore, this event also provides a regional platform

for sharing of knowledge and experiences as well as fostering closer co-operation among central bankers and regulators.

I wish you all a productive and rewarding learning experience.

Thank you.