

SEACEN-BOJ Intermediate Course on Payment and Settlement Systems Kuala Lumpur, Malaysia, 27 -31 March 2017

Course Description

This Course will build on knowledge gained from the Foundational Payment and Settlement Systems (PSS) course, covering risk management and governance of core payment and settlement systems [Retail Payment Systems (RPS) and Large Value Payment Systems (LVPS)]. It will review some of the important aspects of the fundamentals and operations of PSS, and take it a step further, extending the coverage to cross-border issues, foreign exchange settlement, operations for foreign reserve/currency settlement, and recent trends in market infrastructure improvement. It will also focus on introducing oversight of PSS, highlighting the objectives, scope and general principles of oversight that contribute to the smooth and practical implementation of monetary policy and the promotion of financial stability.

Course Objectives

Through lectures, interactive discussions, case studies and sharing of experiences from the various delegates' countries, participants will be able to –

- Gain a general understanding of the applicable Principles for Financial Market Infrastructures (PFMIs);
- Apply the fundamental concepts of oversight on LVPS and RPS in line with leading standards and national policy objectives;
- Be familiar with the recent developments in innovation and technologies such as Financial Technology (FinTech), mobile payments, as well as emerging risks and challenges confronting both LVPS and RPS;
- Develop an understanding on how such trends and innovations impact central banks in carrying out their PSS oversight functions.

Target Audience

The course is aimed at mid-level officers or technical staff, with at least 2 years working experience on payment and settlement operations, policy, oversight, risk profiling and management, or IT supervision of PSS systems. Participants should have basic knowledge of payment and settlement concepts and operations and/or should have previously undertaken the Foundational PSS course.

COURSE PROGRAMME	
Monday, 27 March 2017	
9:30 – 10:00	<p>Welcome Remarks – The SEACEN Centre Opening Remarks – Mr. Shinji Kawai, Head of International Coordination Division, International Department, Bank of Japan</p> <p>Group Photograph</p>
10:00 – 11:30	<p>Session 1: PSS and the Role of Central Banks Session Coverage:</p> <ul style="list-style-type: none"> • PSS Infrastructure • Roles of Central Banks and the Private Sector • PSS Infrastructure Needed to Support Economic Activities • Recent Trends in PSS Infrastructure Improvement <p><i>Speaker: Mr. Naoya Kikuta, Associate Director, Payment and Settlement Systems Division, Payment and Settlement Systems Department, Bank of Japan</i></p>
11:30 – 12:30	<p>Session 2: Operations of Foreign Reserve/Currency Settlement at BOJ Session Coverage:</p> <ul style="list-style-type: none"> • Settlement Flows of Foreign Securities and Cash, Including Market Intervention • Liquidity Provision Based on Swap Agreements among Central Banks • IT System: Challenges to Straight-Through-Processing (STP) and SWIFT Security Issues • Business Continuity Planning <p><i>Speaker: Mr. Shinji Kawai, Head of International Coordination Division, International Department, Bank of Japan</i></p>
12:30 – 13:30	Lunch Break
13:30 – 15:00	<p>Session 3: Overview of PSS Oversight Session Coverage:</p> <ul style="list-style-type: none"> • Definition and Objectives of PSS Oversight • Scope and Coverage of PSS Oversight • Role of Central Banks • Role of Other Regulatory Authorities (National and International)

COURSE PROGRAMME	
	<i>Speaker: Mr. Melchor T. Plabasan, Deputy Director, Core Information Technology Specialist Group, Bangko Sentral ng Pilipinas (BSP)</i>
15:00 – 15:30	Tea Break
15:30 – 17:00	<p>Session 4: Principles of Financial Market Infrastructures (PFMI) and their Application to Systemically Important Payment Systems</p> <p>Session Coverage:</p> <ul style="list-style-type: none"> • Overview of the PFMI • Applicability of the PFMI to Systemically Important Payment Systems • Highlights of Select Principles as they Apply to PSS • PSS-related Responsibilities of Authorities • Tools to Facilitate Implementation of PFMI <p><i>Speaker: Mr. Paul Wong, Member of Secretariat, Committee on Payments and Market Infrastructures (CPMI), Bank for International Settlements (BIS)</i></p>
Tuesday, 28 March 2017	
08:30 – 09:00	Review and Reflection
09:00 – 10:30	<p>Session 5: Interdependencies of PSS</p> <p>Session Coverage:</p> <ul style="list-style-type: none"> • Overview of Interdependencies and PSS Linkages • Forms and Risks of Interdependencies and Linkages • PFMI Guidance on Interdependencies • Cross-border and Cooperative Oversight <p><i>Speaker: Mr. Paul Wong, Member of Secretariat, CPMI, BIS</i></p>
10:30 – 11:00	Tea Break
11:00 – 12:30	<p>Session 6: Oversight of Large-Value Payment Systems (LVPS)</p> <p>Session Coverage:</p> <ul style="list-style-type: none"> • Key Risks on LVPS • Importance of LVPS Oversight • General Principles on Effective LVPS Oversight • Roles of PFMI and other Leading Standards • Methods and Tools in Implementing LVPS Oversight <p><i>Speaker: Mr. Stephen Pang, Hong Kong Monetary Authority (HKMA) - TBC</i></p>

COURSE PROGRAMME	
12:30 – 13:30	Lunch Break
13:30 – 15:00	<p>Session 7: Delivering Secure, Efficient and Reliable Cross-Border Payments</p> <p>Session coverage:</p> <ul style="list-style-type: none"> • Global Payment Initiatives • Emerging Threats and Risks • Global Trends on Security Practices and Anti-Money Laundering (AML) Compliance • Overview of Customer Security Program and Financial Crime Compliance Services <p><i>Speakers: Mr Saqib Sheik; Mr. Rahul Bhargava SWIFT</i></p>
15:00 – 15:30	Tea Break
15:30 – 17:00	<p>Session 8: Panel Discussion on Issues and Challenges on LVPS and LVPS Oversight</p> <p>Session coverage:</p> <ul style="list-style-type: none"> • Challenges in Adopting PFMI • Issues in Implementing LVPS Oversight • Implementing Co-operative Oversight and Operational Oversight • Challenges and Initiatives in Securing the SWIFT Network <p><i>Moderator: Mr. Mr. Melchor T. Plabasan, Deputy Director, Core Information Technology Specialist Group, BSP</i></p> <p><i>Panelists:</i></p> <p><i>Mr. Paul Wong, Member of Secretariat, CPMI, BIS</i></p> <p><i>Mr. Stephen Pang, HKMA;</i></p> <p><i>Mr. Saqib Sheikh / Mr. Rahul Bhargava, SWIFT</i></p>
Wednesday, 29 March 2017	
08:30 – 9:00	Review and Reflection
09:00 – 10:30	<p>Session 9: Country Sharing on LVPS</p> <p>Session coverage:</p> <ul style="list-style-type: none"> • LVPS Landscape • Current Coverage, Tools and Mechanism for LVPS Oversight • Challenges in Implementing LVPS Oversight • Measures to Address Challenges in LVPS Oversight • Goals and Plans to Improve LVPS Oversight <p><i>Facilitator: Mr. Mr. Melchor T. Plabasan, Deputy Director, Core Information Technology Specialist Group, BSP</i></p>

COURSE PROGRAMME	
10:30 – 11:00	Session 10: Briefing on LVPS Case Study <i>Facilitator: Mr. Stephen Pang, HKMA (TBC)</i>
11:00 – 12:30	Session 11: Preparation on LVPS Case Study <i>Facilitator: Mr. Stephen Pang, HKMA (TBC)</i>
12:30 – 13:30	Lunch Break
13:30 – 15:00	Session 12: Preparation on LVPS Case Study <i>Facilitator: Mr. Stephen Pang, HKMA (TBC)</i>
15:00 – 15:30	Tea Break
15:30 – 17:00	Session 13: Group Presentation on LVPS Case Study <i>Facilitator: Mr. Stephen Pang, HKMA (TBC)</i>
Thursday, 30 March 2017	
08:30 – 9:00	Review and Reflection
09:00 – 10:30	Session 14: Oversight of Retail Payment Systems (RPS) Session Coverage: <ul style="list-style-type: none"> • Key Risks on RPS • Importance of RPS Oversight • Different Types of RPS (e.g. Channels, Instruments and Systems) • Methods and Tools in Implementing RPS Oversight • Practical Issues and Challenges in Implementing RPS Oversight <i>Speaker: From Bank Negara Malaysia or Monetary Authority of Singapore</i>
10:30 – 11:00	Tea Break
11:30 – 12:30	Session 15: Securing the Future of Retail Payments Session Coverage: <ul style="list-style-type: none"> • Overview of the Asia Pacific Technology Access and Adoption • Emerging Mobile and Payment Card Fraud and Other Threats Confronting RPS • RPS Security Enhancements <i>Speaker: _____, VISA</i>

COURSE PROGRAMME	
12:30 – 13:30	Lunch Break
13:30 – 15:00	<p>Session 16: Panel Discussion on Oversight of Financial Technology (FinTech) and Other Payment Innovations</p> <p>Session Coverage:</p> <ul style="list-style-type: none"> • New Players and Opportunities • Potential Growth and Risks in FinTech, Mobile Payments and Other Innovations • Consumer Protection • Impact of FinTech and Other Innovations in Central Banks’ PSS Oversight Functions • Regulatory Approach to FinTech • Next Steps • New Players and Opportunities <p><i>Moderator: Mr. Melchor T. Plabasan, Deputy Director, Core Information Technology Specialist Group</i></p> <p><i>Panelists:</i></p> <p>_____, VISA</p> <p>_____, Bank Negara Malaysia or</p> <p>_____, Monetary Authority of Singapore</p> <p><i>Mr. Mark McKenzie, The SEACEN Center</i></p>
15:00 – 15:30	Tea Break
15:30 – 17:00	<p>Session 17: Country Sharing on RPS</p> <p>Session coverage:</p> <ul style="list-style-type: none"> • RPS Landscape • Current Coverage, Tools and Mechanism for RPS Oversight • Challenges in Implementing RPS Oversight • Measures to Address Challenges in RPS Oversight • Goals and Plans to Improve RPS Oversight <p><i>Facilitator: Mr. Melchor T. Plabasan, Deputy Director, Core Information Technology Specialist Group, BSP</i></p>
Friday, 31 March 2017	
08:30 – 9:00	Review and Reflection
09:00 – 10:30	<p>Session 18: Briefing on RPS Case Study</p> <p><i>Facilitator: Mr. Melchor T. Plabasan, Deputy Director, Core Information Technology Specialist Group, BSP</i></p>

COURSE PROGRAMME	
10:30 – 11:00	Tea Break
11:00 – 12:00	Session 19: Preparation on RPS Case Study <i>Facilitator: Mr. Melchor T. Plabasan, Deputy Director, Core Information Technology Specialist Group, BSP</i>
12:00 – 14:30	Lunch Break
14:30 – 15:30	Session 20: Preparation on RPS Case Study <i>Facilitator: Mr. Melchor T. Plabasan, Deputy Director, Core Information Technology Specialist Group, BSP</i>
15:30 – 16:00	Tea Break
16:00 – 17:30	Session 20: Group Presentation on RPS Case Study <i>Facilitator: Mr. Melchor T. Plabasan, Deputy Director, Core Information Technology Specialist Group</i>

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