



The **SEACEN** Centre

SEACEN Policy Summit on Shadow Banking and its Financial Stability Implications

Sasana Kijang, Bank Negara Malaysia, Kuala Lumpur, Malaysia

8 September 2017

The theme of this year's Policy Summit is "Shadow Banking and its Financial Stability Implications." As the world marks the 10th anniversary of the onset of the Great Financial Crisis (GFC), financial institutions and policymakers are reflecting on the causes and consequences of the GFC, and utilizing this period of relative calm to bolster their preventive and protective mechanisms against future crises, and, in some cases, construct these mechanisms from the start.

All the while, new methods of saving and investing, depositing and lending, and transferring financial assets are springing up, spurred by advancements in technology and the desire of consumers and the industry for lower costs, speedier services, and higher yields. Shadow banking, financial technology (FinTech), and fast payments, sometimes separately but often together, occasionally outpace the ability of policymakers to adjust their regulatory systems and stances appropriately. The result is exhilaration tinged with anxiety, as if the next GFC were lurking right around the corner.

The Policy Summit aims to provide clarity of thought on some of these emerging issues. The Summit features an exciting array of presenters on topics ranging from categorizing shadow banking and its links with traditional financial institutions, to an emerging category of shadow banking that touches both firms and households – online marketplace lending, to the breadth and depth of the regulatory umbrella that should be cast over these activities in a manner that does not block these new beams of financial access from reaching lower-income and marginalized communities.

Throughout the day, participants will be given ample opportunity to ask questions and otherwise interact with the distinguished presenters and panellists.

ABOUT THE SPEAKERS



Hans Genberg

Executive Director, The SEACEN Centre

Dr. Hans Genberg assumed the post as Executive Director of The SEACEN Centre in Kuala Lumpur on 1 July 2015 having served as an Adviser to The Centre since 3 March 2014. Prior to joining SEACEN, Dr. Genberg was Assistant Director at the Independent Evaluation Office of the International Monetary Fund after having been Executive Director, Research at the Hong Kong Monetary Authority (HKMA). Before joining the HKMA he was Professor of international economics at the Graduate Institute of International Studies in Geneva, Switzerland. A Swedish national, Dr. Genberg holds a Ph.D. degree in Economics from the University of Chicago.

Jean-Pierre Landau

Jean-Pierre Landau is Professor of Economics at SciencesPo (Paris). He also was Dean of the School of Public Affairs. For most of his career he has worked in the French Government and Central Bank. He has served as Deputy Governor of the Banque de France, Executive Director of the International Monetary Fund (IMF) and the World Bank (Washington), Executive Director at the EBRD (London) and undersecretary for External Economic Relations. He has been Visiting Lecturer at Princeton University (Woodrow Wilson School) and Visiting professor at SAIS (John Hopkins - Washington DC).



Dr. Atiur Rahman

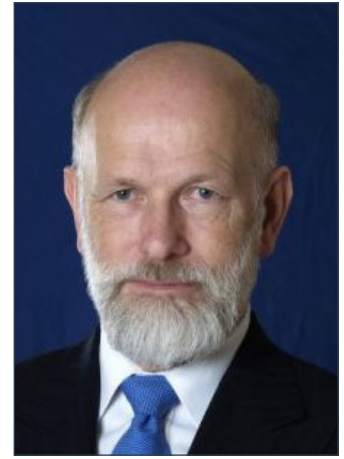
Professor, University of Dhaka

Former Governor, Bangladesh Bank (Contrail Bank of Bangladesh)

Dr. Atiur Rahman is a Professor of Department of Development Studies, University of Dhaka. Dr. Rahman served as the Governor of Central Bank of Bangladesh during the period of May 2009-March 2016. He occupied different positions in eminent research and academic institutions. After obtaining M.A. in Economics from Dhaka University, he pursued studies in the School of Oriental and African Studies (SOAS), University of London under a Commonwealth Scholarship, securing M.A. and Ph.D. in Economics (1983). He was also awarded a Commonwealth Development Fellowship at the University of Manitoba in Canada (1989), a Ford Foundation Post Doctoral Fellowship at The University of London (1991-92), and a Visiting Research Fellowship, at the Institute of South-East Asian Studies, Singapore (1998-99).

David G Mayes

David G Mayes is Professor of Banking and Financial Institutions at the University of Auckland. He was previously Advisor to the Board at the Bank of Finland, during which time he was a member of monetary policy committee at the ECB, and Chief Manager (now labelled Assistant Governor) at the Reserve Bank of New Zealand, responsible for monetary policy after a career in academia and the public service mainly in the UK. He has been an advisor to many central banks and has published widely on monetary, financial and economic topics particularly on the problems of integration among countries. His latest book, published by Routledge, is on 'European Banking Union' and he is currently finalising the Oxford University Press Handbook on The Economics of Central Banking. He is an Editor of the Economic Journal.



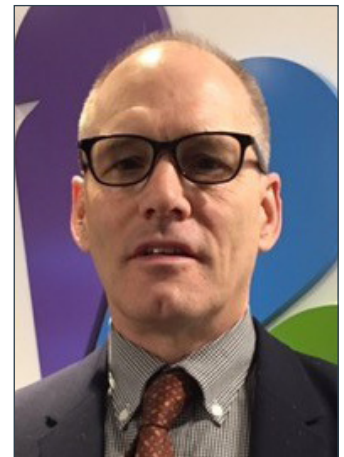
Neill Killeen

Neill Killeen is an Economist at the Secretariat of the European Systemic Risk Board (ESRB). His work focuses on shadow banking related issues and macroprudential policy. Before joining the ESRB Secretariat, he worked at the Central Bank of Ireland in the Monetary Policy Division and Securities and Markets Supervision Division. His research interests include the use of firm-level data to examine the activities of non-bank financial institutions.

Andrew Collier

Managing Director and Founder, Orient Capital Research, Hong Kong.

Mr. Collier is the former President of the Bank of China International USA, where he helped to launch BOCI's U.S. office. Earlier in his career, he was an equity analyst with Bear Stearns and CLSA in Hong Kong, and a journalist covering business for the South China Morning Post in Beijing. He has a Master's Degree in International Relations and Chinese Studies from Yale University and studied Chinese at Peking University. He also is a Senior Fellow at the Mansfield Foundation in Washington. Mr. Collier is currently based in Hong Kong.





Kieran Garvey

Head of Regulation & Policy

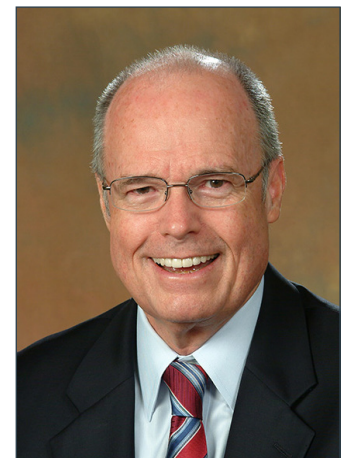
Cambridge Centre for Alternative Finance, Judge Business School

Kieran is the co-author of nine alternative finance industry reports covering market activity globally, as well as more specifically within regulation in East Africa and UK sustainable energy. He is leading the Cambridge-World Bank 2017-2019 Regulator & Policymaker Surveys in addition to a research program to develop a technology solution to more efficiently conduct regulatory reviews of different FinTech business models in developing and emerging countries. Kieran previously worked at the UK Crowdfunding Association, as a UK parliamentary crowdfunding advisor and has aided a large number of companies to secure finance via equity crowdfunding. He also helped establish a microfinance social enterprise in Northern Vietnam, inspired by Kiva. Kieran holds an MSc. from Imperial College London and BSc. from the London School of Economics.

Richard Bowen

Richard Bowen is a professor of accounting at the University of Texas at Dallas and a co-founder of Bank Whistleblowers United, which advocates for whistleblower protection and the return of the rule of law to banking. Mr. Bowen has 35 years experience in banking and during the financial crisis was a senior executive with a financial institution which has significant international presence.

Mr. Bowen is recognized for his banking credit and risk expertise and has testified before the Securities and Exchange Commission as well as providing nationally televised testimony to the Financial Crisis Inquiry Commission, where he witnessed coordinated efforts to hide key parts of his testimony from the American public. Mr. Bowen's story and testimony have been widely covered by all the major U.S. news media and he was featured in the *60 Minutes* story "[Prosecuting Wall Street](#)," which originally aired to an audience of 12 million viewers and has since been re-aired eight times. Mr. Bowen is a well-known speaker on ethical leadership and the financial crisis. www.richardmbowen.com



Glenn Tasky

Glenn Tasky joined The SEACEN Centre in April 2017 after a long career as an international financial sector supervision and regulation advisor. Working under contract with the United States Agency for International Development (USAID), the International Monetary Fund (IMF), and the World Bank Group (WBG), Glenn has held long-term advisory positions in banking supervision and macroprudential supervision at central banks in Kazakhstan, Ukraine, Bulgaria, Afghanistan, Jordan, and Bangladesh, where his main areas of focus have been: accounting, reporting, and off-site supervision; the legal and regulatory framework for sound banking; problem bank reform, restructuring, and resolution; and macroprudential supervision.

PROGRAM AGENDA (Friday, 8 September 2017)

| Time | Sessions |
|---------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 09:00 – 09:30 | Introduction and Overview Dr. Hans Genberg, Executive Director, The SEACEN Centre |
| 09:30 – 10:00 | Prospects for expanding or contracting the regulatory umbrella and the implications for shadow banking <i>Chair:</i> Hans Genberg <i>Keynote Address:</i> Dr. Jean-Pierre Landau, Financial Regulation and Risk Management Programme, Sciences Po, former Executive Director, IMF and World Bank, former Second Deputy Governor, Banque du France |
| 10:00 – 10:30 | Coffee/tea break |
| 10:30 – 11:30 | Financial inclusion and proportionate regulation: does regulation help or hinder financial inclusion? <i>Chair:</i> Hans Genberg <i>Presenter:</i> Dr. Atiur Rahman, Professor, Department of Development Studies, Dhaka University, Chairman of Unnayan Shamannay research organization, and former Governor, Bangladesh Bank <i>Presenter:</i> Dr. David Mayes, Professor of Banking and Finance, University of Auckland Business School |
| 11:30 – 12:30 | Shadow banking typology and links between shadow banks and the regulated banking sector <i>Chair:</i> Hans Genberg <i>Presenter:</i> Mr. Neill Killeen, European Systemic Risk Board Secretariat |
| 12:30 – 13:45 | Lunch |
| 13:45 – 14:45 | The extent of shadow banking in Asia: what do we know? <i>Chair:</i> Glenn Tasky <i>Presenter:</i> Mr. Andrew Collier, Managing Director, Orient Capital Research (Hong Kong) |
| 14:45 – 15:45 | Online marketplace lending: business models, risks, and regulation <i>Chair:</i> Mr. Glenn Tasky, Director, Financial Stability and Supervision / Payment and Settlement Systems, The SEACEN Centre <i>Presenter:</i> Mr. Kieran Garvey, Policy Programme Manager, Cambridge Centre for Alternative Finance |
| 15:45 – 16:15 | Coffee/tea break |
| 16:30 – 17:30 | Panel discussion: Should less regulated financial services providers, including non-depository institutions, be subject to more intensive regulation, supervision, and corporate governance standards? <i>Moderator:</i> Glenn Tasky <i>Panelists:</i> Mr. Richard Bowen, Senior Lecturer in Accounting, Jindal School of Management, University of Texas at Dallas; founding member of Bank Whistleblowers United Dr. David Mayes SEACEN Deputy Governor (TBA) |
| 17:30 | End of Policy Summit |