



Financial Stability and Supervision

Anti-Money Laundering and Combating the Financing of Terrorism

Dates: 26 February - 2 March 2018

Host: Bank Negara Malaysia

Coordinator: Ms. Haslina

The course focuses on the taxonomy of Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT) including predicate offenses, large cash transactions, suspicious transactions, and politically-exposed persons; covered entities; mechanics of money laundering; recordkeeping and reporting; a risk-based approach to AML and CFT examination, supervisory action; the function of a financial intelligence unit; the role of international standard-setting bodies such as the Financial Action Task Force; and, internal controls to reduce the risk of money laundering and terrorist financing.

Objective

To assist participants in applying the latest advances in AML and CFT tools and techniques, including a risk-based approach to thematic AML and CFT examinations.

Target Participants

The course is geared mainly for bank supervisors, as opposed to Financial Intelligence Unit (FIU) personnel. The ideal candidate would be a safety-and-soundness examiner who is being retrained as a thematic AML/CFT specialist examiner.

Intermediate Course for Bank Examiners

Dates: 5 - 9 March 2018

Host: The SEACEN Centre

Coordinator: Ms. Masyitah

Building on the *Foundational Course for Bank Examiners*, this course focuses on developing and enhancing bank examiners' skills to a level of proficiency where they should be able to independently serve as Examiner-In-Charge or Lead Supervisor of a non-complex, non-problem bank over the next 18 months.

Objective

To provide the participants exposure to more advanced bank examination techniques and enhance their depth of knowledge, expertise, and judgment. The technical course content will focus on understanding capital and liquidity management and risks including Basel II/III, credit risk management practices, issues around supervising conglomerates, shadow banking, and assessing the overall stability of the bank and its future prospects. Behavioral skills development will focus on enhancing examiners' ability to effectively present and support examination findings to banks' boards of directors and executive management, as well as their own senior management.

Target Participants

The course is designed for supervisors with more than two years of experience in field examination/supervision, preferably with some experience in assessing loan portfolio quality.

FinTech Course

Dates: 12 - 14 March 2018

Host: Monetary Authority of Singapore

Coordinator: Ms. Haslina

Financial Technology (FinTech) poses both opportunities and challenges for traditional financial institutions and their regulators. On the one hand, FinTech companies may be competitors for banks' loan and payment customers; on the other hand, FinTech companies may partner with banks to increase banks' efficiency. Regulators, for their part, must decide on activity-based vs. entity-based regulation, or, indeed, whether or not to regulate at all. This course is a blend of financial stability, financial supervision, and payments topics.

Objectives

To give participants a thorough conceptual grounding in FinTech and introduce them to the most important products and services that may pose threats to the profitability of traditional financial institutions or the stability of the financial sector, and to generate thought and discussion about smart regulation of the FinTech environment.

Target Participants

The course is aimed at staff of central banks and monetary authorities from the financial stability, financial supervision, or payments areas, with two to three years of professional experience and responsibility. Those responsible for the development of regulatory policy are especially encouraged to join.

Undertaking Effective Supervisory Review and Evaluation Process (*Signature Course*)

Dates: 16 - 20 April 2018

Host: Bangko Sentral ng Pilipinas

Coordinator: Mr. Syaiful

The course focuses on understanding and developing key skills in how to effectively undertake Supervisory Review and Evaluation Process (SREP), which can then feed into the supervisory strategy, setting Individual Capital Guidance and the levels of capital buffers and add-ons. It covers the overall framework of SREP as well as the key areas that constitute a SREP. This includes Business Model analysis; governance and risk management; the Internal Capital Adequacy Assessment Process (ICAAP) and capital adequacy. In addition, the course also discusses the relatively newer concepts of the Internal Liquidity Adequacy Assessment Process (ILAAP) and how to undertake the Supervisory Liquidity and Review Process (SLRP or L-SREP).

Objectives

To be able to identify, understand, and objectively measure the key risks within a bank including credit, market, and operational risks.

Target Participants

The course targets bank supervisors and other central bank personnel who have at least two years supervisory experience and have had some involvement in assessing risks within banks.

ICT Risks in Banks

Dates: 23 - 27 April 2018

Host: Autoriti Monetari Brunei Darussalam

Coordinator: Ms. Mangai

The course focuses on the multiple risks faced by financial institutions in the Information-Communication-Technology (ICT) sphere, the concepts and mechanics of an ICT Risk Assessment, the impact of FinTech disruption, cyberthreats, and cybersecurity. It provides a taxonomy of risks, and affords the participants an opportunity for in-depth discussion of technology risks in banks and other financial institutions.

Objective

To help the participants understand the importance and basic principles of an ICT Risk Assessment, the impact of FinTech disruption, cyberthreats, and cybersecurity.

Target Participants

The course targets bank supervisors who have some experience evaluating the level of banks' ICT risk and the quality of ICT risk management. Participants should have experience either as supervisors of financial services firms (such as safety-and-soundness examiners or ICT examiners) or have directly worked in a technology-related area in order to gain the most from the course and be able to contribute appropriately to the discussions.

Advanced Course for Bank Examiners

Dates: 16 - 27 July 2018

Host: The SEACEN Centre

Coordinator: Mr. Syaiful

This advanced course builds on the Foundational and Intermediate Courses for Bank Examiners. It focuses on sharpening existing skills so that participants, who have already served as Lead Supervisors of safety and soundness examination of non-complex, non-problem banks, are prepared to serve as Lead Supervisors for more complex or riskier institutions. Technical content focuses on more specialized credit analysis and conducting more granular assessment of how banks measure, monitor, and control risks. Behavioral skills development focuses on enabling an examiner to effectively present and support examination findings to banks' boards of directors and executive management in more difficult or potentially contentious interactions, such as where a bank may strongly disagree with or challenge the examiner's findings. The course curriculum covers five days, with the last 1.5 days consisting of a bank simulation exercise.

Objectives

To provide the participants exposure to more advanced bank examination principles and methods, thus enabling them to progress to more senior supervisory roles within their organization.

Target Participants

The course is designed for supervisors with at least five years of practical experience in bank examination and supervision, who have served as Lead Supervisor for non-complex bank examination. The participants should have completed the Intermediate Course for Bank Examiners or have demonstrated proficiency in that course's curriculum modules. Senior bank supervision policy staff may also find the course content and interactions relevant and beneficial to their work.

SEACEN-Federal Reserve Course on Risk-Based Supervision

Dates: 23 - 27 July 2018

Host: National Bank of Cambodia

Coordinator: Ms. Haslina

The course is designed for on-site bank supervisors and off-site monitoring and surveillance staff. It includes the scope and concept and practical application of risk-based supervision, the supervisory process, and examination planning, execution, and reporting.

Objectives

Through interactive case studies, group exercises, and sharing of experiences, the participants will enhance their judgmental ability to focus examination activities on the most important risk areas. They will learn to evaluate the level of risk and the corresponding quality of risk management across key risk categories including credit, market and operational risks. They will learn how to use these as the bases for supervisory planning and action.

Target Participants

Participants should have at least three years of experience in examination and/or off-site surveillance of banks, allowing them to contribute to the various interactive sessions, many of which, require sharing of experiences.

SEACEN- BOJ Course on Macroprudential Supervision, including Stress Testing *(Joint with MPPM)*

Dates: 6 - 10 August 2018

Host: Bank Indonesia

Coordinator: Ms. Mangai

The course focuses on the latest developments in macroprudential supervision, including a review of commonly-used macroprudential policies, triggers for intervention, designation of banks as systemically important, institutional mechanisms for applying policies, and macro stress testing.

Objectives

To assist the participants in understanding how, when, and what kind of macroprudential policies should be used to build up resilience of financial institutions to imbalances, asset price bubbles, and other threats to financial stability.

Target Participants

The course targets bank supervisors working in financial stability, on-site examination, off-site monitoring, and regulatory policy development who monitor the build-up of threats to financial stability and recommend and/or implement macroprudential measures.

SEACEN-FSI Course on Corporate Governance of Banks

Dates: 10 - 14 September 2018

Host: Bank of Thailand

Coordinator: Ms. Haslina

Effective corporate governance is critical to the proper functioning of the banking sector and the economy as a whole. This advanced level course covers how participants can evaluate the quality of corporate governance and the performance of board and senior management, and supervisors' role in evaluating key appointments. It will also cover internal audit and control functions (the three lines of defense) compliance, insider abuse, and misconduct risk.

Objectives

This course aims to provide a framework for supervisors to ensure robust and transparent risk management and decision making in the banks they supervise.

Target Participants

The course is designed for supervisors with at least five years of practical experience in bank examination and supervision, who may have served as Lead Supervisor for non-complex bank examinations. Senior bank supervision policy staff may also find the course content and interactions relevant and beneficial to their work. Participants should be in, or looking to move into, a position that will involve interviewing and approving banks' senior management and board members.

Crisis Management and Resolution

Dates: 24 - 28 September 2018

Host: The SEACEN Centre

Coordinator: Ms. Masyitah

The course covers business and financial cycles; effective crisis management and resolution frameworks, including the design of infrastructures to wind down non-bank financial institutions that are of systemic importance and banking organizations that operate across borders; and the design of mechanisms to ensure that the losses are borne by the creditors of the institutions rather than by the taxpayers. Also covered are enhanced supervision of cross-border exposures and related systemic risks. Moving expeditiously on this reform agenda, including adopting rules for cross-border burden sharing, requires greater political commitment. Related policy considerations will also be covered in-depth.

Objective

Using simulations, group exercises, and interactive discussions, the participants will be able to explore a range of options in dealing effectively with time-sensitive resolution/recovery scenarios.

Target Participants

The course is designed for middle to senior level officers from central banks, non-central bank regulators, and deposit insurers, typically with at least five years of experience in financial stability matters, financial surveillance, or bank examination and supervision.

Identification, Valuation, and Resolution of Problem Loans

Dates: 8 - 12 October 2018

Host: Bangko Sentral ng Pilipinas

Coordinator: Ms. Masyitah

Non-performing and problem loans are a major cause of poor profitability in banks and can, and have led to, bank failures. In addition, they can also negatively affect lending to the economy as a whole. As such, levels of problem loans are a key concern to supervisors and central banks. The modules will cover undertaking asset quality and provision adequacy reviews; valuation of loans and security from accounting as well as risk management and regulatory perspectives; forbearance; restructuring and rescheduling loans; sale of non-performing loans; and new guidelines for loan loss provisioning under IFRS 9.

Objectives

The course will enable the participants to detect and diagnose non-performing and problem loans. They will be able to assess whether individual banks are adequately managing the riskiness of their loans and if they have appropriate strategies, governance structures, and processes in place.

Target Participants

Participants should have at least four or five years' supervisory or credit risk specialist experience. Although they may not have direct experience in handling problem loan situations, the participants should have sufficient familiarity with bank supervisory processes so that they can actively contribute to interactive course discussions.

SEACEN-Federal Reserve Foundational Course for Bank Examiners

Dates: 29 October - 2 November 2018

Host: The SEACEN Centre

Coordinator: Mr. Syaiful

This course provides the participants with the foundational framework for effective supervision and risk-based surveillance as it covers the foundational skills for bank examiners in emerging markets. It includes practical knowledge on gathering and assessing information on various aspects of banks' business and condition, which serves as inputs into overall examination findings. Competencies that are important both to offsite analysts and on-site examiners, such as financial statement analysis, trend analysis, peer group comparisons, capital adequacy and profitability analysis, basic risk identification, early fraud identification, and fraud risk reduction will be emphasized.

Objectives

Using case studies and examples, with data and information on actual banks, participants learn to apply fundamental examination concepts and principles. They are also made aware of related international standards and recognized sound practices, and learn to formulate appropriate recommendations for remedial action when there are weaknesses or unsound practices or conditions in evidence

Target Participants

Banking supervisors/examiners who are relatively new to their role but with at least 12 months of experience in helping supervise a financial institution or in undertaking on-site examinations.

Liquidity and Funding Risk Management

Dates: 12 - 16 November 2018

Host: Bank Indonesia

Coordinator: Mr. Syaiful

The course covers best practices in identifying, measuring and managing liquidity risk in financial institutions; challenges and key issues impacting asset and liability management, and treasury and trading. Proven methods to identify, measure, and mitigate liquidity risk are explained. The course also introduces participants to current regulatory liquidity requirements for financial institutions, fund transfer pricing, stress testing, contingency planning, and intraday liquidity management.

Objective

The course will enable the participants to understand best practice in liquidity risk management, develop methodology to measure and monitor liquidity risk, link liquidity risk and transfer pricing process, and identify the impact of regulatory liquidity related requirements on market and funding liquidity, and central bank liquidity management.

Target Participants

Participants should have at least two-year work experience as liquidity risk specialist, or at least four-year work experience in supervising financial institutions, monetary operations, or overseeing intraday liquidity management in the payment and settlement systems.