LEARNING PROGRAMME
“Learning without thought is labour lost; thought without learning is perilous”

Confucius - Chinese philosopher and reformer
1. MACROECONOMIC AND MONETARY POLICY MANAGEMENT (MMPM)

| MP1. 7th SEACEN Intermediate Course on Macroeconomic and Monetary Policy Management |
| Date : 25.03.2013 - 05.04.2013 |
| Venue : Cambodia |
| Host : National Bank of Cambodia |

This intermediate Course will emphasise on technical and analytical aspects of macroeconomic and monetary policy management, with some hands-on exercises and case studies. Based on the learning need analyses of member banks, the Course for this year will offer more in-depth treatments on monetary policy operations, particularly liquidity management and forecast; as well as monetary and fiscal policy analysis and coordination.

**Objectives:** At the end of the Course, participants will be able to: (i) assess macroeconomic conditions using an example of a small open economy; (ii) forecast inflation and output gap; (iii) describe monetary policy frameworks, operations and implementation; and (iv) recommend policy interest rate to achieve monetary policy objectives based on the assessment of macroeconomic conditions and forecast of inflation under a case study.

**Resource Persons:** The faculty of resource persons will be experts and policy practitioners from international and regional financial institutions such as the BIS/ADB, central banks in advanced economies, SEACEN member central banks, The SEACEN Centre as well as academia.

**Target Group:** Middle-level officers or technical staff from central banks or monetary authorities, whose work involves macroeconomic surveillance and analysis of monetary policy, financial policy and financial stability. Participants should have at least 2 years relevant working experience and be familiar with basic econometrics and the use of econometric software such as Eviews.
This 6th Advanced Course will be conducted in collaboration with the Centre for Central Banking Studies (CCBS) of the Bank of England. Building on foundation knowledge of the Intermediate Course, the Course will focus on policy issues concerning monetary policy formulation and operations. For this year, the Course will emphasise on the interaction between monetary and financial stability, as well as communication strategy, with a case study on coordinating monetary policy and financial stability goals.

Objectives: At the end of the Course, participants will be able to: (i) examine the interactions between monetary and financial stability objectives; (ii) analyse implications of capital flows on monetary and financial stability; (iii) explain macro prudential policy and its role in financial stability objective; and (iv) formulate and communicate policy to achieve monetary policy and financial stability objectives based on a case study.

Resource Speakers: The faculty of resource speakers will be experts and policy makers and practitioners from the CCBS, The SEACEN Centre, international and regional financial institutions such as the BIS and ADB, central banks in advanced economies, SEACEN member banks and academia.

Target Group: Staff of central banks and monetary authorities with at least 5 years working experience in formulating/implementing monetary policy, macroeconomics, financial stability or other related areas. Participants who have attended the SEACEN Intermediate Course on Macroeconomic and Monetary Policy Management will especially benefit from this Course.
The high degree of openness of most SEACEN economies has complicated central banks’ tasks in macroeconomic and monetary policy management, especially in handling external shocks. Apart from strengthening analytical and forecasting capability in the key components of external sector, the Course will address issues of current concern, including practical issues in implementing the 6th Balance of Payment Manual (BPM6), external sector vulnerabilities, and exchange rate issues.

Objectives: At the end of the Course, participants will be able to: (i) describe practical issues in implementing BPM6; (ii) forecast key components of balance of payment in accordance with international standard; (iii) assess a country’s international competitiveness using exchange rate indices and indicators of competitiveness; (iv) analyse external debt sustainability; and (v) examine external sector adjustment analyses and policies for sustainable economic growth.

Resource Persons: The faculty of resource persons will be drawn from the IMF Institute for Capacity Development, the IMF-Singapore Training Institute, The SEACEN Centre as well as experts and policy practitioners from SEACEN central banks.

Target Group: Middle-level officers/technical staff of central banks with at least 2 years working experience in balance of payments analyses and surveillance, exchange rate policy, macroeconomic and monetary policy analyses, and surveillance.
The Asian financial crisis and more recently the global crisis, highlight the need to understand the inter-linkages between the financial sector and real economy. The severe imbalances in the financial sector may lead to a financial crisis, which in turn causes a macroeconomic crisis, and then feeds back to the financial sector. The challenges are even greater for developing economies where the financial sector lacks depth and width. The Course will focus on strengthening analytical capability on macroeconomic management and financial sector issues, such as the interconnectedness of the macroeconomic sectors with the financial sector and measures to assess financial soundness and stability.

Objectives: At the end of the Course, participants will be able to: (i) analyse inter-relationships between macroeconomic stability, growth and financial sector; (ii) assess financial sector soundness and policy options for financial stability; and (iii) describe lessons learnt, including policy responses, to past financial crises.

Resource Persons: The faculty of resource persons will be drawn from the IMF Institute for Capacity Development, the IMF-Singapore Training Institute, The SEACEN Centre, as well as experts and policy practitioners from SEACEN central banks.

Target Group: Mid- to senior-level officials in central banks, monetary authorities or regulatory agencies involved in the formulation and implementation of macroeconomic and financial policies. Participants should have at least 5 years working experience in the relevant areas.
The benefits and risks of capital account liberalisation have been subjects much studied and discussed in the past few decades. Evidence has shown that easing restrictions on capital flows helps emerging economies to foster sustainable growth as capital inflows provide additional financial resources for productive activities and facilitate the transfer of technological and managerial know-how. On the other hand, volatility of capital flows poses major risks to monetary and financial stability, especially if capital account liberalisation is implemented under unfavourable circumstances without supporting policies. The Workshop will address the key considerations that central banks should pay attention to, in their plan to liberalise the capital account. The Workshop will present theoretical and empirical knowledge and practical experiences of emerging economies.

Objectives: The Workshop will enable participants to apply best practices in operationalising capital account liberalization to reap the benefits while managing the risks. At the end of the Workshop, participants will be able to: (i) examine the pre-conditions, timing and sequencing of capital account liberalisation; (ii) explain exchange rate management and reserves management in relation to the capital account liberalisation; (iii) assess best practices in monitoring and managing capital flows; (iv) analyse implications of capital account liberalisation for the conduct of monetary policy; and (iv) describe best practice in liberalisation measures relating to major types of capital flows, e.g. FDI, portfolio investment flows.

Resource Persons: The faculty of resource persons will be drawn from prominent international and regional financial institutions, such as the IMF, ADB, central banks from advanced and SEACEN economies.

Target Group: Middle-level central bank officers who are involved in formulating the framework and operational plan for capital account liberalisation analysing and recommending policy concerning balance of payments, exchange rate and monetary policy.
The recent global crisis has revealed several misconceptions as well as gaps in the understanding of how the economy works. For example, it is now more commonly accepted that market is not always efficient and that deeper understanding is required on the macro-financial linkages as well as the inter-linkages of monetary policy decisions, real economic activities and movements of commodity prices. The proliferation of research and discussions ignited by this paradigm shift in economic thinking provides rich materials to equip central banks with the knowledge and tools to better manage their economies. The Seminar will be contextualised to an emerging market economy.

**Objectives:** At the end of the Seminar, participants will be able to: (i) analyse the implications of major shifts in economic theories, thinking and international initiatives for macroeconomic and monetary policy management of emerging market economies; (ii) relate macro-financial inter-linkages to the twin objectives of monetary and financial stability; and (iii) explore monetary policy options under a certain economic scenario.

**Resource Persons:** The faculty of experts will comprise resource persons from international financial institutions, central banks, academia and think-thank institutions.

**Target Group:** At least deputy heads of departments who oversee the surveillance, policy analyses and policy making functions in the areas of macroeconomic, monetary policy and strategy, financial development and stability.
2. FINANCIAL STABILITY AND BANKING SUPERVISION (FSS)

FS1: SEACEN Course on Consolidated Supervision (2 weeks)

Date: 19.05.2013 - 24.05.2013
Venue: Brunei Darussalam
Host: Autoriti Monetari Brunei Darussalam

The recent financial crisis has demonstrated that effective and timely risk management is important for financial institutions with multiple legal entities. Regulators and examiners must possess the necessary tools and authority to monitor and address safety and soundness in all parts of an organisation.

Objectives: At the end of this Course, participants will be able to evaluate quantitative and qualitative consolidated supervision assessment of a banking group in accordance to Basel II and best practices in the region. In achieving the objective, participants will learn to: (i) describe supervisory approach on consolidated supervision of banks based on core principles and Basel II; (ii) identify various corporate groupings of a parent bank; (iii) discuss supervisory issues and challenges with regard to banking groups; (iv) analyse consolidated prudential reports on quantitative and qualitative basis; (v) assess the financial condition and risk profile of a holding company’s non-bank subsidiaries and its impact on the group; and (vi) describe the role of consolidated supervision and its relationship with other regulatory agencies.

Resource Persons: The faculty of speakers will comprise technical experts and senior officials drawn from regulatory authorities and SEACEN member banks.

Target Group: The Course is designed for bank examiners and regulators whose roles are to establish the safety and soundness of a financial institution with multiple legal entities.
Sound banking supervision is a critical component of the regulatory approach to maintain public confidence. In ensuring that banks are financially sound, well managed and do not pose a threat to depositors and systemic risk to the banking system, supervisors adopt the Risk Based Supervision Approach to monitor and evaluate the strategies, policies and performance of a bank.

**Objectives:** At the end of this Course, participants will be able to assess the soundness of a bank by applying the Risk Based Supervision Framework through case study and exercise. In achieving this objective, participants will learn to: (i) describe the fundamentals of Risk Based Supervision within the regulatory framework; (ii) identify significant activities in a bank for focus during supervision; (iii) identify inherent risks that exist in a bank’s significant activities; (iv) assess a bank’s risk management oversight functions; (v) analyse the risk equation for a significant activity to establish risk matrix for a bank; (vi) evaluate issues related to the implementation of Risk Based Supervision; and (vii) recommend a supervisory plan for off-site and on site monitoring.

**Resource Persons:** The faculty of speakers will comprise technical experts and senior officials drawn from regulatory authorities and SEACEN member banks.

**Target Group:** The Course is designed for on site and off site bank supervisors with at least three years of practical supervision experience.
The introduction of Basel III brings with it a set of new, and more stringent, capital standards as well as introduction of liquidity coverage ratio and net stable funding ratio requirements. Recent financial crises have shown that capital conservation alone is inadequate to maintain financial stability as there exists a fundamental need to ensure sufficient liquidity for a financial institution to remain solvent. Further, these crises also proved that a micro-prudential approach, which focuses mainly on regulating individual financial institutions, is insufficient to adequately address the threat of systemic risk to the real economy. As the new elements in Basel III aim to better address the issue of financial instability, it is critical that regulators and supervisors keep abreast with the latest research and discussions on the Standard’s new capital and liquidity framework.

**Objectives:** By using case study and exercises, participants will be able to discuss the new capital and liquidity frameworks according to Basel III standards. In achieving this objective, participants will learn to: (i) explain Basel III capital and liquidity requirements; (ii) explain Pro-cyclicality, Systemic Risk and Leverage Ratio in light of Basel III Capital Buffer requirements; (iii) describe the appropriate supervisory approach to meet Basel III requirements on capital and liquidity; and (iv) discuss issues and challenges in implementing Basel III (and other Basel Committee Standards) in the region.

**Resource Persons:** The faculty of speakers will comprise technical experts and senior officials drawn from regulatory authorities and SEACEN member banks.

**Target Group:** The Course is designed for bank supervisors with a minimum of five years experience, preferably with first-hand on- or off-site supervisory experience with Basel II and/or liquidity risk supervision, or similar experience in a related policy role.
The Course provides participants with an overview of the risk measurement and management systems that banks employ to monitor credit risk. The focus will include the basic methods supervisors can employ to understand and evaluate the effectiveness of banks’ implementation of credit risk management systems. Group work will take the form of a case study and give participants an opportunity to practice and reinforce the techniques discussed during the Course.

Objectives: Using a case study, participants will be able to assess capital adequacy of a bank using the Standardized Approach. In achieving this objective, participants will learn to (i) elaborate credit risk in a bank; (ii) explain the capital requirement for credit risk under Basel II; (iii) describe the evaluation process of Standardized Approach; and (iv) assess the capital requirements for credit risk of a bank using the Standardized Approach.

Resource Persons: The faculty of speakers will comprise technical experts and senior officials drawn from regulatory authorities and SEACEN member banks.

Target Group: The Course is designed for middle level officers with at least three years experience in supervising credit risk management.
Most banks today would use some form of technology to interact with their customers. Over the years, banks have leveraged on technology to perform financial transactions and for internal use to enhance overall delivery efficiency to various stakeholders. Banks have continuously invested in technology upgrade to accurately store and retrieve massive amount of data, reduce time per transaction as well as reduce down-time. Many banks view the advancement of information technology as an avenue to increase customer service efficiency and enlarge their customer base.

While the benefits of information technology usage by banks are undeniable, yet the very fact that banks are allowing numerous daily transactions to be carried out via technology would mean that Information Technology (IT) Risk is inherent in every transaction. Does investment in IT affect the bank’s capital and earnings? How does IT Risk relate to other types of financial risks? How secure are online transactions and what are the risks associated with such transactions?

**Objectives:** By using case studies and exercises, participants will be able to assess the robustness of a bank’s IT risk management process according to best practices. In achieving this objective, participants will learn to: (i) describe the various inherent IT risks of a bank; (ii) explain the impact of IT Risk on the bank’s capital, earnings and other types of financial risks; (iii) determine the impact of IT Risk on Banking Operations in terms of transaction availability, security and integrity; (iv) explain compliance requirements to mitigate IT risk in the bank; (v) apply appropriate methods to supervise IT Risk in various situations through case studies; and (vi) assess the robustness of a bank’s IT risk management process.

**Resource Persons:** The faculty of speakers will comprise technical experts and senior officials drawn from regulatory authorities and SEACEN member banks.

**Target Group:** The Course is designed for banking supervisors with at least two years of practical supervision experience.
The infamous financial crisis, which originated and subsequently engulfed many advanced economies, demonstrates that no economy is immune to financial instability. Crises further prove that existing measures are inadequate to flag impending financial dangers to regulators. Once financial market becomes disorderly, its impact on the real sector is costly. In view of the close interactions between financial markets and monetary policy and the tighter links between emerging market economies and the global economy, it is pertinent that SEACEN economies understand the financial linkages within our respective financial system, as well as between diverse financial systems regionally and globally to identify potential vulnerabilities and other threats. The presence of cross border Systemically Important Financial Institutions (SIFIs) in emerging market and developing economies could further impact financial stability in the region. Therefore, a holistic approach to financial stability which analyse micro and macro prudential indicators collectively is critical for providing a more accurate financial system health check to regulators.

Objectives: By using case study and exercises, participants will be able to analyse financial stability of an economy based on micro and macro prudential indicators in accordance to Basel capital standards. In achieving this objective, participants will learn to: (i) describe the linkages between financial stability, real sector, fiscal and monetary transmission channels; (ii) explain the construction methodologies of key micro and macro prudential indicators; (iii) apply banking indicators to determine financial stability; (iv) apply non-banking indicators to determine financial stability; (v) construct financial stability report; and (vi) analyse financial stability of an economy based on key financial prudential indicators.

Resource Persons: The faculty of speakers will comprise technical experts and senior officials drawn from regulatory authorities and SEACEN member banks.

Target Group: The Course is designed for middle to senior level officials from central banks involved in managing financial stability, financial surveillance, supervision of banking institutions, and monetary policy and operations.
Financial crises occur infrequently but its potential public costs could be enormous. As the effects of the current financial crisis spread, the need for central banks and supervisory authorities to be prepared for a crisis increases. Crisis simulation exercise is one way to prepare for such low probability yet high impact event. In collaboration with the Toronto Centre, The SEACEN Centre will organise a regional crisis preparedness programme which will include a crisis simulation exercise.

Objectives: The Course is designed to provide senior level staff with an opportunity to identify issues and challenges that the supervisory authorities and central banks face in managing a crisis arising from problems in a potential systematically important financial institution (SIFI), as guided by international best practices. In a simulated environment, the participants will learn to: (i) identify processes of contingency planning in dealing with failing banks; (ii) describe critical components in coordinating with supervisors, central banks, deposit insurers and other authorities nationally and internationally in a financial crisis; and (iii) deal with the systemic consequences of a bank failure.

Resource Persons: The faculty of resource persons will comprise technical experts from the Toronto Centre, the World Bank and other international financial institutions.

Target Group: The Course is designed for senior level officials (Deputy Head of Departments and above) from central banks and deposit insurance corporations involved in managing financial stability, financial surveillance, supervision of banking institutions, and monetary policy and operations.
There is an increasing number of microfinance institutions (MFIs) providing various financial services, in particular, financing of small scale economic activities to the urban low-income segments and rural population in emerging economies. MFIs contribute significantly to the economy as a whole, and it is essential that these institutions are streamlined by an effective regulatory and supervisory mechanism which will help foster public confidence in these institutions.

Objectives: At the end of this Course, participants will be able to evaluate key considerations in developing a supervisory framework governing deposit taking MFIs in accordance with best practices. This Course seeks to strengthen the capacity of supervisors engaged in microfinance supervision of deposit taking MFIs. In achieving this objective, participants will learn to: (i) describe the critical components of a sound regulatory framework toward effective supervision of MFIs; (ii) apply off-site supervisory tools and processes to enhance supervisory effectiveness of MFIs; (iii) apply on-site supervisory tools and processes to enhance supervisory effectiveness of MFIs; (iv) analyse the issues and challenges in developing a supervisory framework governing MFIs in emerging economies; and (v) evaluate key considerations in developing a holistic (on- and off-site) supervisory framework governing MFIs in emerging economies.

Resource Persons: The faculty of speakers will comprise technical experts and senior officials drawn from regulatory authorities, and SEACEN member banks.

Target Group: The Course is designed for on-site and off-site supervisors with at least two years of practical supervision experience as well as supervisors who are highly involved in microfinance supervision. Central bank personnel who are involved in regulation of MFIs may also find this Course to be relevant.
The Bank Management School includes a blend of lectures and workshops with simulation, where participants simulate the role of the management of banks, with hands-on experience in understanding banking business. This includes setting up business strategies for their financial institutions; executing strategy through tactical business and operational decisions; evaluating the impact of decisions on bottom-line profitability; and understanding the interrelationships between various business units.

Objectives: Through simulations, participants will be able to understand the banking business. In achieving this objective, participants will learn to: (i) discuss key strategic decisions from management’s perspective; (ii) explain how banks manage risks; (iii) discuss operational issues that banks need to manage; (iv) explain the basics of treasury and balance sheet management; (v) identify the interrelationships between the different business units within a bank; and (vi) discuss the impact of business decisions of financial performance and how banks are measured by its stakeholders.

Resource Persons: The faculty of speakers will comprise technical experts and senior officials drawn from regulatory authorities and SEACEN member banks.

Target Group: The Course is designed for on-site and off-site supervisors with at least two years of practical supervision experience.
The Pillar 2 Supervisory Review Process is one of the three mutually reinforcing pillars of Basel II. It is designed to ensure that banks have adequate capital to support all risks in their business and to encourage banks to develop and use better risk management techniques in monitoring and managing those risks. The importance of Pillar 2 was underscored in Basel III through the introduction of several enhancements.

In this regional course, participants will gain a thorough understanding of Pillar 2, with a particular focus on the internal capital adequacy assessment process (ICAAP) in banks and related supervisory review. Participants will have an opportunity to discuss some of the specific risk areas covered under Pillar 2 and the role of stress testing.

Objectives: The key learning objective of this course is for participants to be able to apply concepts and techniques to assess a bank’s risk profile and regulatory capital requirements in accordance with Pillar 2 by using case study. In achieving the learning objective, participants will be able to: (i) explain the principles of Pillar 2 and how Pillar 2 complements the other pillars of Basel II and III; (ii) identify the main elements of a comprehensive ICAAP in banks to determine the level of capital that commensurate with a bank’s overall risk profile; (iii) describe the role and responsibilities of supervisors in reviewing a bank’s ICAAP; and (iv) discuss how interest rate risk in the banking book and certain aspects of credit risk are covered under Pillar 2.

Resource Persons: The faculty of speakers will comprise technical experts and senior officials drawn from regulatory authorities, and SEACEN member banks.

Target Group: The Course is designed for banking supervisors who are familiar with Basel II, techniques for managing banking risks and the concepts of economic and regulatory capital. They must have some understanding of a risk-based approach to supervision, with at least three years of supervisory experience in on-site or off-site supervision, or in a policy-making role.
3. PAYMENT AND SETTLEMENT SYSTEMS (PSS)

PS1.  8th Intermediate Course on Payment and Settlement Systems for Emerging Economies  
(1 week)

Date : 27.05.2013 - 31.05.2013  
Venue : Vietnam  
Host : State Bank of Vietnam

This Course provides comprehensive knowledge in terms of risk, risk management and efficiency of core payment and settlement systems (retail payment systems and large value payment system). Based on the learning need analyses, this year’s Course will offer a more in-depth coverage on liquidity management in the real time gross settlement system (RTGS) and a new case study on foreign exchange settlement risks and risk management. The focus of the retail payment systems module will be on issues of current concern, including role of non-bank players and retail payment system policy issues.

Objectives: At the end of the Course, participants will be able to: (i) explain the role of payment systems in financial stability and monetary policy; (ii) identify major risks in core payment and settlement systems using country examples; (iii) assess liquidity management options in the RTGS to enhance efficiency; and (iv) explain risk management measures, including central bank’s oversight and business continuity planning, based on international norms and best practices.

Resource Speakers: The faculty of resource speakers will comprise a core group of experts from SEACEN member banks, central banks in the advanced economies, international standard setting body and international payment service providers (such as SWIFT and CLS).

Target Group: 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. Participants should have basic knowledge of payment and settlement concepts and operations.
Building on knowledge gained from the SEACEN Intermediate Course on Payment and Settlement Systems for Emerging Economies, this Advanced Course focuses on policy and topical issues of interest in the payment and settlement systems (PSS) of emerging market economies. For FY 2013, the emphasis will be on observance of the principles set forth by international standard setting body to enhance PSS safety and efficiency. As the CPSS-IOSCO Principles for Financial Market Infrastructure (PFMI) has just been released, the Course will focus on the CPSS Systemically Important Payment Systems (SIPS) Core Principles (CPs), which remain at the core of the PFMI. The Course will in the future progress to cover observance of the PFMI when the new PMFI is more stable. The Course will be conducted in collaboration with the Committee on Payment and Settlement Systems (CPSS) and the World Bank.

Objectives: The Course aims to enable participants to apply assessment methodology for observance of the CPSS Systemically Important Payment Systems (SIPS) Core Principles (CPs). Specifically, participants will be able to: (i) describe key considerations for each of the SIPS CPs and roles of central banks; (ii) based on country experiences, identify best practices in complying with the SIPS CPs; (iii) apply assessment methodology to assess observance of national payment systems with SIPS CPs; and (iv) compare the differences between SIPS CPs and Principles for Financial Market Infrastructure (PFMI).

Resource Persons: The faculty of resource persons will comprise internationally and regionally renowned experts in PSS from the international standard setting body such as the CPSS and the World Bank, as well as central banks from advanced and emerging economies.

Target Group: Central bank officials whose principal role is the oversight of systemically important payment systems, with at least 3 years relevant working experience. Officials who are involved in developing payment policy and oversight may also apply. Participants are expected to be familiar with the risk profile and risk management of the RTGS.
4. LEADERSHIP AND CENTRAL BANK GOVERNANCE (LDG)

LDG 1: 7th SEACEN Intermediate Leadership Course (2 weeks)

Date : 20.10.2013 - 25.10.2013
Venue : Brunei Darussalam
Host : Autoriti Monetari Brunei Darussalam

Central banks are facing new challenges to cope with greater uncertainty, complexity and interdependency in all aspects of their operations, both externally and internally. In view of this, it is pertinent that central bankers possess strategic leadership skills in their thinking and actions when they strive for excellent performance. This Programme is highly interactive and provides a broad coverage of the essential knowledge, skills and techniques for success as a leader, from leading self to leading others. The delivery methods include self-assessments, role-plays, group discussions, games, feedback, action planning and lectures.

Objectives: This Programme is designed to help leaders of central banks expand their capacity and leadership effectiveness through recognising elements of leadership effectiveness, identifying and assessing key roles of leaders, and improving critical leadership skills. In the context of central banking, this will be achieved through: (i) self-discovery of strengths and development needs; (ii) enhancing agility to learn; (iii) practicing key skills (managing and leading change, problem solving, decision making, influencing and persuasion, and creating developmental climate in the context of central banking; (iv) identification of developmental needs and commitment to action plans; (v) taking charge of ongoing developmental processes to close gaps in key competency areas; and (vi) identify critical governance principles crucial to the fulfilment of central banks’ mandate.

Resource Persons: The faculty of resource persons will comprise SEACEN staff, reputable academia and training professionals as well as leaders from the central bank fraternity/regulatory authorities.

Target Group: The Course is designed for middle level managers from central banks/monetary authorities who play leadership role at departmental level, with significant managerial responsibilities (leading teams and resources) and with the potential to play strategic roles in the running of their organisation.
Financial institutions are facing challenges to cope with greater uncertainty, complexity and interdependency in all aspects of their operations, both externally and internally. Central banks, as organisations entrusted to play a critical role in ensuring financial and price stability as well as growth of their economies, need to possess the authority to carry out their mandates – the agility to weather uncertainty, and the resilience to create sustainable results and impact. These requirements can be fulfilled through effective leadership at all levels in central banks where individuals and teams are expected to possess strategic leadership in their thinking and actions when they strive for excellent performance.

Translating the needs of leadership into an integrated set of knowledge, skills and attitude, The SEACEN Centre has designed a competency-based learning programme to enhance the effectiveness of leaders to play their roles as decision makers, executors, team leaders and change managers with high trustworthiness in the context of central banking.

This one-week intensive learning programme prepares the participants to apply leadership skills at the workplace, supported by individual leadership development goals and implementation plans. This Programme is highly interactive and provides a broad coverage of the essential knowledge, skills and techniques for success as a leader, from leading self to leading others. The delivery mix would include self-assessments, case studies, role-plays, group discussions, games, feedback, action planning and lectures.

Objectives: This Programme is uniquely designed to help leaders of central banks expand their leadership capacity and effectiveness, specifically through setting direction, creating alignment to organisational goals and motivating a high sense of commitment from the people. In the context of central banking environment and governance, this will be achieved through: (i) discovering individual leadership challenges and behavioural impact; (ii) enhancing learning agility; (iii) gaining insights on the application of leadership competencies in central bank functions; (iv) practicing key leadership skills (making decisions and judgment calls, managing and leading change, influencing and persuasion, receiving and giving developmental feedback); (v) identifying individual leadership developmental needs; and (vi) crafting an implementable plan for individual leadership development.

Resource Persons: The faculty of resource persons will comprise SEACEN staff, reputable academia and training professionals as well as leaders from the central bank fraternity/regulatory authorities.

Target Group: The Course is designed for head of departments, members of the policy-making committees and senior staff with potential to be heads of departments in the near future.
The recent financial crisis has raised important questions concerning central banks’ role in the prevention, management and resolution of financial crises. As the crisis unfolded, a number of central banks were confronted with unusually challenging circumstances, which required a sharp expansion in the use of traditional intervention tools and the introduction of entirely new ones. These events had led to a reconsideration of the mandates and roles of central banks in discharging effective and sustainable conduct of their core functions. In particular, there is a need for clear governance in their conduct of monetary policy functions in combination with the additional mandate in safeguarding the stability of financial system. Underlying these sophisticated phenomena is the set up of governance structures and practices of central banks in ensuring expertise and professionalism in policy decisions, and credibility in times of economic uncertainty. In view of this, there is a pertinent need for central banks to have a clear understanding on the governance setup and arrangement that are most suitable for their own circumstances.

Objectives: The Seminar is designed to help decision-makers evaluate the governance set up and arrangements of their central banks in achieving the objectives of central banks’ core functions effectively. Through interactive discussions and case studies, participants will learn to: (i) describe the roles and objectives of modern central banks; (ii) discuss the impact of changing mandates on central bank governance; (iii) discuss the design of decision-making arrangements in central banks; (iv) evaluate the legal frameworks used to empower the central bank in discharging their duties; (v) evaluate various ways of constructing working relationships between the central bank, the government, legislature and other regulatory authorities; and (vi) evaluate the effectiveness of the current setup of their respective central banks

Resource Persons: The faculty of speakers will comprise technical experts and senior officials drawn from relevant international authorities and central banks fraternity

Target Group: The Seminar is designed for senior level officials from central banks involved in managing the governance of their organisation, and those involved in policy decisions of the core functions of central banks.
It is clear that a sound financial system is a prerequisite for an effective implementation of monetary policy. This is well illustrated by the current global financial crisis. Due to the interconnectedness of the global financial systems, central banks are increasingly given the mandate to include financial stability in addition to price stability. This calls for central banks to rethink the current framework for monetary policy to include macroprudential policies to fulfill these dual responsibilities. It is recognised, both on theoretical and practical grounds, that although monetary policy is an integral component of the policy framework for financial stability, it has limitations. For example, the efficacy of monetary policy is questionable in an environment where consumer prices and asset prices move in the opposite directions.

The escalating prominence of the macro-financial linkages also implies that there is now a widespread recognition of the need to focus on pro-cyclicality issues, systemic risk and internal and external shocks on the overall economy. Clearly, the consequence of implementing macro-prudential policies will have a direct bearing on the conduct of the monetary policies and vice versa. Thus, both sets of policies need to be manifested into a coherent and effective approach which can mutually reinforce and support each other to achieve both price and financial stability. Therefore, monetary and macro-prudential policies may be most successfully implemented in the presence of an overall policy framework that fosters complementary management of monetary policies with macro-prudential policies. There is, thus, a need to critically examine potential synergies, trade-off and conflicts between them.

Apart from mutual consistency in implementing both monetary and macroprudential policies domestically, there may also be need for policy coordination in the international dimension. It may be therefore necessary to examine the possibility of cross-border collaboration in implementing both set of policies consistently.

**Objectives:** The objectives of the High-level Seminar are for delegates to discuss: (i) macro-prudential tools to mitigate systemic risk and procyclicality compatible to monetary policies; (ii) macro-prudential framework in the context of macroeconomic policies in the SEACEN context; and (iii) assess potential cross-border collaboration in implementing macro-prudential policies.

**Resource Persons:** The speakers will comprise internationally and regionally renowned experts as well as central banks from advanced and emerging economies.

**Target Group:** At least deputy heads of departments who oversee the surveillance, policy analyses and policy making functions in the areas of macroeconomic, monetary policy and strategy, financial development and stability.
SEACEN has also reached a significant milestone in 2012, marking the 30th year of its establishment. To commemorate this occasion, SEACEN is organising a special Conference on “Greater Financial Integration and Financial Stability”, held back-to-back with the 3rd SEACEN-CEMLA Conference. These conferences will hopefully engender further collaboration and cooperation among the regional central banks, which are vital in overcoming future challenges in an ever evolving and integrated global environment.

The financial system is much getting increasingly globalised and integrated. Thus, to implement a domestic financial sector agenda, one must give due consideration to what is happening cross border. For example, there is enough compelling evidence to indicate that there is increased correlation between domestic liquidity and the global financial environment. This interconnectedness between financial sectors has also gone beyond to the other sectors of the economy - through the so-called macro-financial linkages. Macro-financial linkages, a direct indication of the deepening globalisation and financial liberalisation, consist of continuous feedback loops between two sectors. This implies that with greater integration, one needs to view the financial sector holistically in order to have an explicit understanding of the connectivity between the macroeconomic and financial conditions.

Many have argued that the financial integration is now an irreversible process and the benefits of financial integration will outweigh the cost of financial contagion. In the long run, the pros of the increase in efficiency of the financial system far offset the cons of potential build-up of imbalances and transmission of adverse shocks. On the other hand, others have argued that financial integration per se is not always beneficial. One has to take into context the nature and type of financial integration. The question then is that given this scenario, what is the nature of this relationship between greater financial integration and financial stability? How does one implement a consistent set of macroeconomic and supervisory policy to safeguard financial stability?

Greater financial integration also implies that we can no longer afford to ‘ring-fence’ in the name of national interest. There is little second guessing that we require realistic regional initiatives and actions. This calls for a well-defined framework of cross-border cooperation and collaboration.

**Objectives:** The main objectives of the Conference are for delegates to: (i) analyse the implication of greater financial integration on monetary and supervisory policies; (ii) assess the optimal nature of financial integration from the financial stability point of view in the SEACEN context; and (iii) assess potential cross-border collaboration and realistic regional initiatives in implementing financial stability policies.

**Resource Persons:** The speakers will comprise internationally and regionally renowned experts as well as central banks from advanced and emerging economies.

**Target Group:** The Conference is designed for senior level officials from central banks involved in managing the governance of their organisation, and those involved in policy decisions of the core functions of central banks.
SEACEN’s unique regional position has contributed immensely to its playing a key role as a networking gateway for collaboration in learning not only among members but also with strategic partners and non-member institutions. The SEACEN-CEMLA Conference is an annual event to drive cross-regional collaboration among central banks in the Asian and Latin American regions.

**Objectives:** The joint collaboration between SEACEN and CEMLA will continue in 2013 to strengthen networking and collaboration between the Asian and Latin American region in central banking learning. The theme of the 3rd SEACEN-CEMLA Conference will be decided jointly between SEACEN and CEMLA.

**Resource Persons:** The faculty of resource persons will include resource speakers from member and non-member central banks and monetary authorities of the SEACEN and CEMLA regions as well as international financial institutions.

**Target Group:** The Conference is targeted at the level of Governor / Deputy Governor.