

EMBARGOED TILL 16 NOV, 4.30PM



ASEAN Financial Innovation Network to support financial services innovation and inclusion

Singapore, November 16, 2017—IFC, a member of the World Bank Group, the Monetary Authority of Singapore (MAS) and the ASEAN Bankers Association (ABA), today introduced, an industry FinTech sandbox for financial institutions and FinTech firms as part of the ASEAN Financial Innovation Network (AFIN), at the sidelines of the 2017 Singapore FinTech Festival. AFIN aims to support financial services innovation and inclusion in less developed markets within the ASEAN region and to provide a platform for collaboration and innovation for financial institutions and FinTech firms.

2 AFIN will provide an integrated platform for collaboration between ASEAN banks, microfinance institutions, non-banking financial institutions (NBFI) and regional FinTechs. The platform will facilitate development and experimentation of innovative digital financial products and services. It will support an array of financial service functions and solutions such as customer onboarding, credit scoring, merchant payments and compliance solutions amongst others. By providing a structured method for integration and defining relevant standards where necessary to connect the backend systems of banks and FinTechs, AFIN can help banks test out solutions in a quick and seamless manner.

3 Regulators across ASEAN are moving quickly to embrace FinTech innovation while ensuring financial stability. In this context, AFIN will collaborate closely with MAS and other regulators in the region to provide a practical environment where banks and regulators can also gain better insight into the evolving impact of FinTech from key challenges such as security, data privacy and consumer protection.

4 Sopnendu Mohanty, Chief FinTech Officer, MAS, said, “MAS is encouraged by the strong support from the industry and regulators for the AFIN industry sandbox. The sandbox will facilitate broader adoption of FinTech innovation, and enhance financial access for a wider population. The joint platform for experimentation between banks and FinTechs gives regulators an opportunity to better understand financial innovations. This will in turn encourage policy harmonisation and partnerships that would make ASEAN an even more conducive market for businesses and investment.”

5 Several institutions have signaled their intent to participate in a pilot phase as part of the AFIN industry sandbox, including the Unionbank of the Philippines, Yoma Bank and Wave Money in Myanmar, VP Bank in Vietnam, City Bank in Bangladesh and Commonwealth Bank Indonesia.

Preparatory efforts and research for AFIN has benefited from constructive inputs from a range of technology, FinTech and financial services providers across the region. These inputs include understanding market needs, refining the strategy and business concept and assessing feasibility and technology requirements.

“In emerging markets, banks and institutions have fewer resources to allocate to digital research, and need ways to experiment and integrate new solutions to broaden their services and reach the unbanked,” said Vivek Pathak, IFC’s Director for the East Asia and the Pacific. “Innovation and FI-TechFin partnering are particularly important in these markets as such partnerships can help reduce costs necessary to reach the unbanked and underbanked populations. AFIN has the potential to create and open up new markets by supporting and accelerating the digital transformation of financial services, and providing a responsible, organized approach from a regulatory perspective. We are glad to have ABA and MAS as founding partners in this initiative, and are looking forward to having more interested banks and FinTechs participate in AFIN.”

7 “This initiative aligns with our goals to promote the ASEAN Economic Community benefits, enhance the active collaboration of ASEAN banking institutions, and promote best-in-class banking practices among our member countries,” said Paul Gwee Choon Guan, Secretary-General, ASEAN Bankers Association. “We are pleased to support, engage and collaborate with MAS and IFC to accelerate FinTech innovation and development in the region.”

For media queries, please contact:

Tina Taheri, IFC
Phone: +1 202 247 5168
E-mail: ttaheri@ifc.org

Desmond Yong
Assistant Director (Communications)
Monetary Authority of Singapore
Tel: +65 6422 5368
Email: desmond_yong@mas.gov.sg

About IFC

IFC, a member of the World Bank Group, is the largest global development institution focused on the private sector in emerging markets. Working with more than 2,000 businesses worldwide, we use our capital, expertise, and influence to create markets and opportunities in the toughest areas of the world. In FY17, we delivered a record \$19.3 billion in long-term financing for developing countries, leveraging the power of the private sector to help end poverty and boost shared prosperity. For more information, visit www.ifc.org.

Stay Connected

www.ifc.org/eastasia

www.twitter.com/IFC_EAP
www.facebook.com/IFCwbg
www.youtube.com/IFCvideocasts
www.ifc.org/SocialMediaIndex

About Monetary Authority of Singapore

As Singapore's central bank, the Monetary Authority of Singapore promotes sustained, non-inflationary economic growth through appropriate monetary policy formulation and close macroeconomic surveillance of emerging trends and potential vulnerabilities. It manages Singapore's exchange rate, foreign reserves and liquidity in the banking sector. MAS is also an integrated supervisor overseeing all financial institutions in Singapore – banks, insurers, capital market intermediaries, financial advisors, and the stock exchange. With its mandate to foster a sound and progressive financial services sector in Singapore, MAS also helps shape Singapore's financial industry by promoting a strong corporate governance framework and close adherence to the international accounting standards. In addition, it spearheads retail investor education. MAS ensures that Singapore's financial industry remains vibrant, dynamic and competitive by working closely with other government agencies and financial institutions to develop and promote Singapore as a regional and international financial centre.

About the ASEAN Bankers Association

The ASEAN Bankers Association (ABA) aims to strengthen the voice of the ASEAN banking community in policy advocacy efforts globally and regionally. ABA promotes active collaboration between ASEAN banking institutions and the national association of banks of the ASEAN countries to provide private sector support in alignment with the goals of the ASEAN Economic Community ("AEC"). Since its establishment in 1976, ABA has provided a platform to share banking knowledge and provide education to promote best-in-class banking practices among the ASEAN member countries.

Further information on ABA is available on the website: www.aseanbankers.org.