PERSATUAN BANK-BANK DALAM MALAYSIA
THE ASSOCIATION OF BANKS IN MALAYSIA

ASEAN Bankers Association

PRESS RELEASE

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52nd ASEAN BANKING COUNCIL MEETING SUCCESSFULLY HELD IN KUALA LUMPUR, MALAYSIA

The 52nd ASEAN Banking Council Meeting was successfully held on 5 December 2024 at Le Meridien Kuala Lumpur Hotel, Kuala Lumpur, Malaysia. The meeting was hosted by The Association of Banks in Malaysia (ABM) and was well attended by over 200 senior banking executives from the 10 ASEAN countries.

At the Council Meeting, members endorsed the proposals of its three permanent committees - Cooperation in Finance, Investment, Trade and Technology, ASEAN Inter-Regional Relations and Banking Education which met on 5 December.

Committee on Cooperation in Finance, Investment, Trade and Technology (COFITT)

To engender greater trust and confidence in these transactions among customers and merchants, the Committee discussed the progress made by an initiative to enhance transparency and efficiency in the resolution of cross-border payment disputes within ASEAN. Having reviewed existing dispute resolution processes, the project will next move to develop harmonised recommendations for best practices in resolving cross border QR payments to be raised to regulators.

The Committee also agreed that a collective effort across the region was needed to combat cyber-enabled fraud, perpetrated by crime syndicates exploiting digital platforms, including e-payments infrastructure, across borders. A taskforce will be established to explore and drive collaboration on anti-scam efforts, with an initial focus on:

- Knowledge sharing of current mitigation practices to detect, save and recover scammed monies with a view to provide recommendations for banks; and
- Driving ASEAN policy consensus that an ecosystem approach is needed to protect consumers from scams and maintain confidence in digital payment services. While banks must fulfil their responsibilities in combatting fraud, all other parties profiting from the digital economy, from telcos to social media and device OS companies and customers, also have a proportionate duty to protect the digital ecosystem from criminal abuse.

The Committee was also updated on several ongoing initiatives:

- Project Nexus, an initiative that seeks to accelerate cross-border payment connectivity by linking up national real-time payment systems through a multilateral network.
- Upcoming issuance of an implementation Playbook for the ASEAN Interoperable Data Framework (IDF) that was developed by COFITT and published in 2023.
- Regional digital trade connectivity initiative that seeks to digitalise end-to-end practices and processes relating to cross-border trade transactions.

Committee on ASEAN Inter-Regional Relations (IRR)

The Association of Banks in Malaysia (ABM) successfully concluded the 2024 Virtual Study Tour, featuring key sessions with the Glasgow Financial Alliance for Net Zero (GFANZ) and the ASEAN Secretariat.

On 8 August 2024, GFANZ held a panel discussion highlighting the financial sector's journey toward achieving net zero, sharing insights on strategies and challenges in combating climate

change. On 25 September 2024, Mr. Hazremi Hamid, Senior Officer of the ASEAN Secretariat, presented the ASEAN Guide on AI Governance and Ethics, emphasizing responsible AI as a driver for progress.

Looking ahead to 2025, the Committee agreed for the return of a physical study tour to enhance networking and collaboration among National Banking Association members. Proposed destinations include Singapore, China, the EU, and the USA, with key topics to focus on Artificial Intelligence, Digital Technology, Sustainability, and Food and Energy Security—areas of growing importance for the global banking sector.

During the ASEAN IRR discussions, sustainability was a major focus, with members updating on their countries' sustainable banking initiatives. ABM remains committed to fostering collaboration and advancing the industry's role through impactful programs like the Study Tour.

Committee on Banking Education

The Committee focused on advancing regional collaboration in banking education, with key discussions on certification alignment, skills development, and enhanced communication among national banking associations. In the presentation of the Committee Report to the ASEAN Banking Council, the latter affirmed its support for cross-certification of professionals in the banking sector. The Council also instructed the Committee to include soft banking skills for a well-rounded approach in its workforce skills development initiative.

A key outcome of the Committee meeting was the endorsement of the Bankers Association of the Philippines' (BAP) proposal to establish bilateral agreements for mutual recognition of treasury certifications among ASEAN member countries. The Committee laid out actionable steps to operationalise this initiative, including collaboration through BAP's Subcommittee on Treasury Certification and direct engagement between national banking associations. These efforts aim to address significant demand for accreditation, particularly in Vietnam and Cambodia, enhancing professional mobility and expertise across the region.

The adoption of Singapore's Financial Services Skills Framework (SFFS) was another pivotal discussion point. The framework, presented by the Institute of Banking and Finance Singapore, provides a comprehensive guide to skills development and workforce planning. National banking associations were encouraged to localise the framework by tailoring it to market needs and regulatory environments, leveraging digital resources, and collaborating with training providers. To ensure long-term competitiveness, members were urged to incorporate emerging skills, such as generative AI integration, into their workforce strategies.

To enhance collaboration, the Committee approved the establishment of an open communication channel via WhatsApp for continuous knowledge-sharing on trends, programs, and initiatives. Additionally, plan is for a 2025 educational tour of Singapore's IBF headquarters to deepen understanding of the SFFS framework and its application. With these concrete steps, the Committee reaffirmed its commitment to building a more skilled and adaptable banking workforce across ASEAN.

The 53rd ASEAN Banking Council Meeting and 24th ASEAN Banking Conference will be held in the fourth quarter in Myanmar and hosted by Myanmar Banks Association.

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About 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

About The Association of Banks in Malaysia

The Association of Banks in Malaysia (ABM) has 27 members comprising the commercial banks that currently operate in Malaysia. The main objective of ABM is to promote the establishment of a sound banking system in Malaysia in cooperation and consultation with the regulators. Guided by ABM's mission statement, "Forging public understanding for a responsible and responsive banking industry", ABM takes on the role of an important intermediary between banking customers and its member banks. ABM aims to facilitate and create a conducive yet competitive banking environment while promoting orderliness and ethical banking practices.

For more information, visit www.abm.org.my.