

Advisory Group
Meeting II
PAPER 3-C



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Updates on the APFF Data Roadmap and Conferences and Collaboration with the ASEAN Financial Innovation Network and ASEAN Bond Market Forum (ABMF)

Enabling data ecosystem for inclusive and efficient financial services

- **Focus:** Enabling legal, policy, regulatory and institutional ecosystem for harnessing data to develop an inclusive and efficient APEC financial marketplace
- **Output:** Draft roadmap to be submitted to Finance Ministers in 2018 for discussion in 2018-2019 and finalization in 2019.
- **Process:**
 - Conference calls / dialogues with industry stakeholders, regulators, officials, international organizations, relevant APEC fora
 - **Asia conference: 20-21 June, Singapore**
 - Co-organizers: ABAC/APFF, SMU, IFC/WBG, MAS, SBF
 - Presentation and discussion at the Digital Innovation Forum, 19-20 July, Taipei
 - Discussion at ABAC III, 23-26 July, Kuala Lumpur
 - **US conference: September (date TBC), Washington DC**
 - Co-organizers: ABAC/APFF, IFC/WBG, *US academic institution (currently under discussion)*

DRAFT ROADMAP OUTLINE:

- Executive Summary
- Introduction: The Role of Data in Promoting Inclusive and Efficient Financial Services
- The Changing Data Landscape
- The Potential of Data Technology for Improving the Inclusiveness, Efficiency and Integrity of Financial Systems
- General Framework for Creating an Enabling Policy and Institutional Ecosystem
- Domestic Data Regulation
- Cross-Border Data Access
- Use of Data: Algorithms, Consent, Granularity, Standards
- Level-Playing Field
- Roadmap Implementation and Pilot Projects

Under discussion: Collaboration with the ASEAN Financial Innovation Network (AFIN)

AFIN:

- Spearheaded by Monetary Authority of Singapore, ASEAN Bankers' Association and IFC/WB
- A marketplace to connect FIs and Fintechs
- An industry sandbox to test innovative solutions
- Support financial innovation and inclusion

HOW IT WORKS:

- AFIN will curate innovative solutions offered by FinTechs from ASEAN and beyond
- AFIN will support APIs that connect FIs and Fintechs in a scalable manner
- AFIN provides an infrastructure which connects legacy systems

POLICY CHALLENGES:

- KYC/AML/CFT
- Cloud adoption
- Cyber security
- Regulatory reporting
- Data residency and privacy

HOW APFF CAN PARTNER WITH AFIN:

- Collaborate to advance capacity building for FIs, MSMEs and member economies
- Engage to address policy and practical barriers to innovation
- Partner to promote inclusive, sound and efficient financial systems

Update: Collaboration with the ASEAN+3 Bond Market Forum (ABMF)

ABMF

- Established September 2010
- Common platform to foster standardization of market practices and harmonization of regulations relating to cross-border bond transaction in the region.
- Operating under the ambit of ASEAN+3
- Participants:
 - ASEAN+3 regulators and policy makers
 - Bond market experts from the region

Collaboration with APFF on fintech:

- [2017 July 5, ADB, Philippines](#): Joint Fintech Roundtable
- [2018 June 18, Fukuoka, Japan](#): Joint conference on how financial innovation can link and integrate Asia (*Fukuoka City, Japan*)
- Issues being discussed:
 - Crypto-currencies
 - Digital trade and supply chain finance
 - Open API to improve banking services
 - Data collection and standardization

