

AGENDA

REGIONAL PROGRAM ON CURRENT ISSUES ON TECHNOLOGY RISK IN FINANCIAL SYSTEM

FEBRUARY 24 – 28, 2020
THE ANVAYA RESORT, BALI



Program Funded By:



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Day 1 Monday

- 09:00 – 09:30 **Introduction/Opening Remarks**
from BI
from Toronto Centre
Group Photo
- 09:30 – 10:45 **Keeping pace with technology-driven changes in financial services industry¹**
Enoch Chng
This workshop opens with a session examining the forces that are disrupting the role, structure, and competitive environment for financial institutions and the markets (and societies) in which they operate. The emphasis will be on the underlying technology themes and the impacts.
- 10:45 – 11:00 **BREAK**
- 11:00 – 13:00 **Opportunities and Challenges of Technology Themes to Key Departments of a Central Bank**
This session leverages on the technology themes identified in the previous session and encourages participants to think about how they would respond to these themes at their workplace, divided into 2 segments:
Segment 1
11.00 – 12.00 : Opportunities and Challenges of Technology to the Payments System
(Bank Indonesia – Payment System Policy Dept.)
- 12:00 – 13:00 **LUNCH**
- 13:00 – 14:00 **Opportunities and Challenges of Technology Themes to Key Departments of a Central Bank**
Segment 2
11.00 – 12.00 : Group Discussion & Presentation

Participants will break out into groups to discuss ‘opportunities and challenges’ these technologies present to the key departments of a Central Bank. Each group will nominate a leader who will present the group’s findings and share their wish-list the follow ups they deem necessary.
- 14:00 – 15:45 **What’s the problem and who’s to blame in this insurance company?²**

¹ Emerging Technology Trends & Risk Exposures - Emergence of FinTech and associated technology risks in financial services; focus on selected emerging technology trends, risk exposures and supervisory approaches.

² Case Study: Failure of IT Governance (Insurance Co)

Nai Seng Wong

In this session, participants will examine the case of an insurance company whose IT governance failed. Each group will be asked to nominate a different leader/spokesperson who will provide a critique as well as how they would have done it differently.

15:45 – 16:00 **BREAK**

16:00 – 17:30 **IT Governance & Management**

Nai Seng Wong and Enoch Chng

This session summarizes the comments made by the students from the previous session. It presents a model, an overview of IT Governance; its relevance in context of Board and Senior Management roles in oversight of technology risks; and supervisory approaches in assessment of IT Governance practices.

17:30 **END OF DAY**

Day 2 Tuesday

09:00 – 09:15 **Quick recap of what we learned the previous day**

09:15 – 10:45 **Are technology failures simply disruptive?**

Nai Seng Wong

This session discusses the significance, origin and impact of technology risks in financial services industry. It also introduces participants to the characteristics of supervisory approaches for assessment of technology risks and international supervisory practices.

10:45 – 11:00 **BREAK**

11:00 – 12:30 **Understanding cyber security and how to fend off attacks**

Enoch Chng

This session relates participants' experiences to the common cyberattacks and attack vectors. Participants will learn how to counter the identified cyber threats and vulnerabilities.

12:30 – 13:30 **LUNCH**

13:30 – 15:15 **An exercise in cyber risk assessment**

Nai Seng Wong

This session outlines an assessment approach to identify the cyber risks and risk management practices. Participants will role-play as bank supervisors and cyber security officers in regulated entities in a cyber risk assessment exercise.

15:15 – 15:30 **BREAK**

15:30 – 17:30 **How to stop a bank heist in this day and age?**
Enoch Chng
Case Study: Bangladesh Central Bank Heist
How would you detect and fend it off? What else would you do?

17:30 **END OF DAY**

Day 3 Wednesday

09:00 – 09:15 **Quick recap of what we learned the previous day**

09:15 – 10:45 **Outsourcing & Third-Party Dependency**
Nai Seng Wong
In this session, participants will learn about the prevalence of outsourcing of technology services in financial services; risks underlying dependencies on third-party service provisions. This session will also share current international supervisory experiences. Participants will be invited to compare and contrast cloud computing with outsourcing.

10:45 – 11:00 **BREAK**

11:00 – 13:00 **Distributed ledger technologies: use of blockchain with and without crypto-assets and regulation of crypto-assets**
Enoch Chng
This session asks the question what is the excitement over blockchain all about, and whether there is a role for distributed ledger technology (DLT) in financial services, and the associated challenges and risks. Current and emerging international regulatory practices for oversight of crypto-assets in financial services industries. Participants will be invited to share their views and experiences with crypto-assets and DLT.

13:00 – 14:00 **LUNCH**

14:00 – 15:45 **And so you think it was really IT infrastructure failure**
Nai Seng Wong
Case Study: IT Infrastructure Failure (Natwest/RBS)

15:45 – 16:00 **BREAK**

16:00 – 17:30 **Cyber Risk Stress Testing**
Enoch Chng
Overview of a possible framework for assessing the implications of cyber risk on financial stability and using stress tests to quantify these risks.

17:30 **END OF DAY**

Day 4 Thursday

- 09:00 – 09:15 **Quick recap of what we learned the previous day**
- 09:15 – 10:45 **The return of AI in finance**
Enoch Chng
This session starts with explaining the common terms that people come across and showcasing some AI applications in financial services industry. It draws on analytics, Robotic Process Application (RPA), Machine Learning (ML) and other AI use cases along the what, why and how learning model. Through this session, participants will develop understanding of AI and its opportunities, challenges and better identify the possible applications in the realm of a financial institution.
- 10:45 – 11:00 **BREAK**
- 11:00 – 12:30 **RegTech and SupTech: Concepts and Overview**
Nai Seng Wong
This session presents the evolution of RegTech and SupTech following the spread of FinTech applications; current scope, emerging SupTech practices and challenges. It deep dives into SupTech deployment for data collection, data analysis and data management for prudential reporting
- 12:30 – 13:30 **LUNCH**
- 13:30 – 15:15 **Group Activity on SupTech**
Enoch Chng & Nai Seng Wong
Participants will be presented with two problem statements- one on anomalies detection and the other, a risk scoring/resource allocation challenge. They will be invited to share their thoughts on how they would approach these 2 problems. The session will share how the same could be or were handled as food for thought and take-aways.
- 15:15 – 15:30 **BREAK**
- 15:30 – 17:30 **“SupTech” in Financial Supervision – Early User Experience**
Nai Seng Wong
Early supervisory experiences in deployment of SupTech; scope, trends and challenges.
- 17:30 **END OF DAY**

Day 5 Friday

- 09:00 – 09:15 **Quick recap of what we learned the previous day**
- 09:15 – 11:00 **Enhancing management of Technology Risk**
Enoch Chng & Nai Seng Wong

A wrap-up of lessons learnt in the Technology Risk Supervision program and deploying building blocks for supervision of technology risks.

11:00 – 12:00 **Final Evaluation, Presentation of Certificate and Closing Ceremony**

12:00 – 14.00 **LUNCH**

14.00 – 20.00 **SOCIAL PROGRAM**
(Optional, for foreign participants only)