AIF International Symposium 2013
Changing Face of Talent
Kuala Lumpur, 28 August 2013

Opening Remarks by

Tan Sri Dato' Sri Dr. Zeti Akhtar Aziz
Governor, Bank Negara Malaysia

It is with great pleasure that I welcome you to the AIF International Symposium on the Changing Face of Talent. In preparing for the future, a future that is going to be fundamentally different from the current environment, talent development and its management will need to be accorded with an even greater priority than previously. This is on account of two significant shifts in our environment that will fundamentally affect both the demand and supply of human capital. The first is the rapid and significant transformation of the economic, financial and business landscape which will have far reaching implications on the talent requirements. The second is the changes in the character and nature of the talent that is now coming on stream. These emerging changes have warranted new approaches to human capital development and management. To not recognise these changes and their implications will not only affect business performance but the overall economic progress of a country.

My remarks this morning will be to briefly discuss the fundamental changes that are affecting the financial and economic landscape and its implications for talent requirements and to proceed with some reflections on the changing nature and character of the talent that is coming on stream. I will then conclude with some thoughts on the implications of these developments on talent development and management, in particular, for the financial sector. The challenge for recruiting and retaining the right talent for the financial sector has also become increasingly more acute in this more competitive environment. Therein lies the urgency on the need to accord greater priority to this important agenda of human capital management and development.

The Transformation of the Economic and Financial Landscape

The economic, financial and business landscape is rapidly being transformed and will continue to evolve. Globalisation and internationalisation, accelerated by liberalisation and the rapid advancement in technology are increasing connectivity between economies and between financial markets across borders. As a result the world economy will become increasingly more integrated. In Asia, regional integration has created immense opportunities for economies of scale while paving the way for new and larger markets. This trend has prompted greater regional trade and cross border investment activity. This is the case for other emerging economies that are also becoming huge consumer markets thus resulting in the growing importance of emerging economies in the global economy. This is further being reinforced by the shift towards greater market orientation as markets are deregulated and liberalised, thereby producing a more competitive environment. This has resulted in an operating environment for businesses that has become more complex with increased uncertainties.

Structural shifts are also taking place at the national level in most of the emerging economies. These include the demographic shifts which are transforming the workforce. The demographic structure has an increasing component that comprises a young population and a growing middle income segment. This trend is exemplified by consumers that have become more discerning, with higher expectations. This is also being reinforced by increased longevity. The workforce is also progressively affected by the growing urbanisation which is becoming an important feature in most emerging economies.

The international, regional and national financial landscape is also being significantly transformed. At the international level a growing number of new financial centres will emerge. There may also be new international reserve currencies and a greater network of financial institutions that originate from an increasing number of emerging economies from different parts of the world. This will facilitate greater inter-linkages between financial systems, especially among the emerging economies. These evolving developments will result in an increased interconnectedness of financial markets with the consequence of increased contagion and interdependence. Increasingly financial systems have also become prone to crisis. The fundamental financial reforms prompted by the recent global financial crisis is also transforming the international financial system.

At the regional level, the Asian region has become more cohesive with regional financial integration intensifying to facilitate a more efficient allocation of financial resources in our region. At the national level, the greater market orientation, liberalisation, the increased adoption of new technologies and the more developed intermediaries and markets have generated financial systems that have become more complex, sophisticated and diversified. With the increased risks associated with these changes, equally significant has been the transformation of the regulatory and supervisory framework.

These structural shifts are reshaping the demand for talent. The success of businesses and the effectiveness of governments and policy makers in this environment will critically depend on having the right talent. Talent has increasingly become the most important asset of an organisation. As job complexities intensify, talent with new competencies and higher skill sets including technical skills with digital capabilities will be required. Developing skills for analytical and creative thinking skills will also be needed to promote innovation, solve complex problems, deal with the potential for multiple scenarios, including the ability to effectively manage wide ranging trade-offs. With the increased level of international business, it will also be important for talent to be able to deal with globalisation – an environment with a more diverse workforce with different cultures, generations and perspectives. Communication skills, the potential to work collaboratively and managing complex relationships are further new skills required in this environment. Equally important are the new leadership skills that are needed in this new more complex environment. This includes the ability to manage in crisis conditions. Talent with these new capabilities have tended to be short in supply.

The demand for such talent is also made even more challenging by the changing character and nature of the talent itself. Firstly, there is now greater mobility of the talent within industries, between industries and across borders. No longer can organisations rely on employment to retirement. The potential for retention has become challenging with the motivation of the workforce now becoming highly different. Among the factors that are important for the new generation is for the job to be interesting, challenging and fulfilling. They are drawn to greater engagement with the leadership, greater empowerment and being accorded greater exposure and potential for future development. A lack of recognition of the changes in the motivation of the new generation of the talent will not only present itself as a major challenge for human capital management but it is also likely to affect the harmonisation and cohesiveness of the organisation and thus its overall performance.

Talent in the financial sector

Let me say a few words about the specific talent challenges in the financial sector. The structural changes taking place in the financial system and the recent global financial crisis has and continues to drive dramatic change in the financial industry. Financial institutions are facing increased regulation, greater uncertainty in the operating environment, uneven competitive conditions and a severely damaged reputation in many parts of the world. These developments have important implications for the financial services workforce. The bar on professional competence demanded of talent in the industry has been raised significantly and is also changing in its emphasis. New political and regulatory pressures are also being brought directly to bear on talent management strategies. This includes, for example, the compensation reforms and greater regulatory scrutiny of new hires at the top levels of management. There has also been a growing focus on the role of talent in regaining confidence in the financial sector, in terms of the ethical standards and values embraced by the workforce in the industry, and on the strength and integrity of its leadership.

The financial sector has historically been and remains highly productive in relative terms. In Malaysia, the financial sector has had the highest total-factor productivity growth over the recent decade relative to other sectors of the economy. Employment in the financial sector has also been growing annually with a large proportion of the growth being in the higher skilled segment. This accounts for the higher level of average wages in the financial sector at about RM36,000 annually, compared to the national average of RM21,700 annually for the economy. Financial services employees are also generally educated to a higher level, with more institutions requiring post-graduate or professional qualifications, in addition to the relevant work experience for the key and senior-level positions. Given the more challenging future environment, generating the supply pipe line for talent and addressing the short supply of critical talent with the new skills needs to be given urgent priority.

There has been considerable attention to the shortage of new and higher technical competencies – in particular in the area of risk assessment and management that is required in this new operating environment. The growth in Islamic finance has also added important new dimensions to the talent requirements. Beyond these clear gaps however, sustainable business models in finance will require additional new skills which have not traditionally been areas of focus in financial institutions. This includes skills in change and crisis management, business recovery planning, the ability to develop and sustain long-term customer relationships, and skills to direct and manage operations in international and cross-cultural contexts. Also important is the ability to build, motivate and lead strong teams under significantly more challenging conditions.

Perhaps more than in any other sector, the response to the challenges facing the financial industry in managing talent will need to be much broader, forward looking and more strategic given the central role of the industry in the economy. Even in countries that are not contemplating new compensation regulations, financial institutions need to consider the higher expectations for compensation and incentive systems to be more closely aligned with prudent risk-taking. Talent strategies must also reinforce a strong and enduring ethical foundation of the organization, while developing the individual and organisational agility to deal with external forces of change, including changes induced by economic and financial cycles. There is also an increased emphasis on leadership effectiveness and succession planning to sustain the long-term value and confidence in financial institutions going forward.

The issue before us is then, how can the talent be prepared for this new environment? And how can the changing nature and character of the new generation of talent be effectively managed to produce the best results for the organisation. The best universities, in particular, the business schools from around the world have in fact come under great scrutiny regarding their ability to produce the right kind of talent that organisations now require in this changing environment.

The reviews have not only been on the curriculum to reflect the new demands of organisations but also on the balance between theory based education and the education that actually produce high performing practitioners. This has included not only the development of new skills and capabilities but also the values and attitudes. Among the conclusions of the reviews are that students that graduate need to have a greater understanding of globalisation so that they are able to have a global perspective. Also important is the appreciation of the external environment of businesses that not only includes international developments but also trends in legal, social, political and environmental developments so that students do not graduate with rigid mindsets and are able to contextualise their circumstances.

Given the highly diverse developments and perspectives that exist, thinking skills will require the ability for integrated thinking. This involves being able to effectively frame the issues that require solutions or decisions. Very often it involves the need to take into consideration multiple perspectives, some of which may be conflicting so that the judgements and conclusions need to balance multiple trade offs.

For emerging economies such as Malaysia, generating talent with these abilities are urgently needed for our current and future environment. While investment in education reform and investment in people through the education process is vital, this will require time before it will generate results. How then can graduates be prepared in the transition? How can the existing work force be strengthened to meet the new demands of businesses in this changed environment? This will involve continuous capacity building for every part of the career life-cycle, from the entry point to senior management and leadership. This highly dynamic environment requires priority to be accorded and the necessary resources to be committed for this agenda.

The changing face of talent, the new generation of talent coming on stream and its different nature and character also presents new challenges for human capital management. It calls for a transformation of human resource strategies. Given that human capital has become a key factor in driving results, it is therefore not only the investment in talent that has become key, but also their management.

Human capital management therefore needs to be accorded top priority. Certainly this is the case for financial institutions for which the demands and expectations are high. The new approaches and strategies for human capital management will need to be aligned with the strategic objectives of the organisation. A vital part of this will also need to be the capacity building of the human capital management team itself. There also has to be strong engagement between the leadership and the human capital management team. This is to ensure an acute awareness of how the forces of change and the new environment is reshaping the demand and supply of talent and how the existing talent needs to be transformed to meet the objectives of the organisation in a highly dynamic environment.

Human capital management is no longer about the efficient delivery of support services. It is now about the management of talent in the organisation that will strengthen and enhance its performance. The human capital management also needs to be well supported by an integrated information system that can allow for rigorous analysis that can become an important basis for decision making. Finally, there is a need for the continuous socialisation of the human capital reforms to ensure the effective implementation of the difficult reforms and changes in the organisation.

Conclusion

Let me conclude my remarks. As we advance forward into the future, the economic and financial landscape can be expected to be continuously redefined. If we are to stay ahead of the curve and be well positioned to meet the new challenges, high priority needs to be given to talent development and management. Education and capacity building to generate the new talent with the right skills, mindsets and values is only one part of the solution. New strategies and approaches for the effective human capital management is an equally important part of the equation.

Many of these issues are likely to be discussed at this symposium. Let me thank the speakers, especially those who have travelled here from a far for their contribution to this symposium. Let me take the opportunity to wish you an engaging and productive symposium.

5th AFI Policy Global Forum
Kuala Lumpur, 11 September 2013

Welcoming Address by

Tan Sri Dato' Sri Dr. Zeti Akhtar Aziz
Governor, Bank Negara Malaysia

It is my great honour to welcome Her Majesty Queen Maxima. Let me express our deep gratitude to Her Majesty for gracing this event. Her Majesty, Queen Maxima, as a major advocate for the development of financial inclusion, has had an important role in bringing the attention of the international community to this important agenda. Her Majesty has also been an inspiration to us to persevere in achieving our aspiration of greater financial inclusion. Let me also take this opportunity to welcome our distinguished speakers, guests and all the participants from the member countries of the Alliance for Financial Inclusion (AFI) to this 5th AFI Global Policy Forum in Kuala Lumpur. Bank Negara Malaysia is indeed most honoured to jointly host this Global Policy Forum together with AFI.

We are gathering at a time when global economic and financial conditions remain highly challenging. While there are now some positive signs emerging, global growth prospects continue to remain uncertain. While the unprecedented and unconventional policy measures introduced by several of the major advanced economies have achieved some degree of success in improving their economic conditions, their global implications have been profound, in particular in emerging economies. Indeed the repercussions from their impending exit from these measures may be even more significant. Therein lies the importance for emerging and developing economies to strengthen our economic and financial foundations, reduce our risks and vulnerabilities and spur a balanced and inclusive growth.

The events since the eruption of the global financial crisis have also altered our view of the world in a number of other fundamental ways. Global reforms in the financial system are re-shaping the regulatory landscape. The lines that define financial intermediation activities, and which connect the financial system to other parts of the economy and other parts of the world, are also being re-drawn. In this environment, emerging and developing economies need to be engaged to ensure that unintended consequences on our financial systems and consequently on our economies are minimised.

A key concern in this environment is thus the strengthening of the protection of segments of society, in particular, small businesses and households, from being marginalised by market forces, and from the disproportionate impact of instability, crises and reforms. Related to this is the need to reinforce socially responsible finance, and to ensure that financial systems serves the real economy and to address the new and growing risks of financial exclusion which can result in part of our community to be disenfranchised, particularly, but certainly not only, during periods of financial crises.

In this environment, financial inclusion has gained greater prominence as a key priority for the reform and development agenda.

The theme of the AFI Forum this year, **"Driving Policies for Optimal Impact"**, underlines the need for us to have a better understanding of the interactions between the objectives and effects of financial inclusion, financial stability and integrity, and consumer protection policies. This need has become more pronounced with the recent global developments. Global prudential standards have been significantly strengthened and are increasingly applied to financial institutions in developing countries. This has heightened the practical challenges faced in implementing these standards in a socio-economic setting where promoting inclusive opportunity is an important objective.

The same is also true with stronger standards to combat money laundering to safeguard the integrity of the financial system. In building a financial system that is resilient against crises and abuse, we cannot neglect the socio-economic impact of policies pursued. Our efforts to build a stronger and more stable financial system would also work to strengthen linkages between finance and development and not to weaken it.

Consumer protection regulation is also being significantly strengthened in many countries following the global financial crisis. This has been driven in large part by the recognition that an effective consumer protection framework serves not only to protect individuals from excessive risk; it also has an important role in protecting the financial system from systemic risk. While this has positive spillovers for financial inclusion, more can and must be done to ensure that consumer protection policies are designed to adequately protect vulnerable groups, and ensure that financial innovation is pursued in a responsible manner.

To address these issues, we are delighted this year to have the participation of the global standard setting bodies together with members of the AFI at this Forum. We share a common interest in seeking to lower the barriers to financial inclusion and to create a larger positive impact of policy measures on financial inclusion. An important starting point is for the global standards to reflect financial inclusion perspectives. The standards setters have pointed out that this is supported by the concept of proportionality which underpins the global standards. Of great importance is how this is going to be translated into practice. By drawing on the diverse experience of AFI members present at this Forum, it is hoped that we can start to build a common understanding of “proportionality in practice”. This is important not only to support the financial inclusion agenda, but also achieve the outcomes of financial stability and consumer protection that were intended by the global standards. This would also promote the wider adoption of these global standards.

Increasing risks of financial exclusion

Financial inclusion has now progressed from access to financial services, to also being concerned with whether the financial services are appropriate to individual circumstances, and are being used effectively to improve individual welfare. In addition, it needs to be concerned with whether vulnerable groups face increased risks of financial exclusion. This is particularly important in a rapidly changing financial and social landscape. Sophisticated risk-profiling methods employed by financial institutions can make it more difficult for deserving individuals and small businesses to qualify for financial services. Aggressive marketing practices by financial institutions and more complex financial products can also lead to poor financial decisions.

The way in which financial services is delivered to consumers is also moving towards more cost-efficient channels that reduce the need for face-to-face contact, except for high net worth customers. Enquiries and complaints are handled largely by phone or e-mail, and usually in a fragmented manner by different parts of a financial institution. This can mean less effective advisory support for vulnerable groups of financial consumers. While the wider adoption of electronic channels has enormous potential to increase financial inclusion, also needed is to ensure access to the relevant technology, in order to avoid being disadvantaged from using alternative channels that will become relatively more costly. A delicate balance therefore needs to be achieved in developing solutions that will allow the financial system to grow and innovate in support of the economy, but without widening the divide in our economy.

The role of non-bank financial institutions

In many of our countries, non-bank financial institutions are being envisaged for a greater role in increasing financial inclusion and thus to contribute to sustainable economic and social development. For some time now, particularly after the global financial crisis, stronger regulation and balance sheet constraints of the banking sector have also led to the rapid expansion of non-bank credit. For the most part, however, this expansion has not been well-managed, resulting in growing concerns with over-indebtedness in many parts of the world. One response has been to strengthen the regulation of such institutions, and reduce the inconsistencies in prudential and conduct standards that apply between banks and non-banks. Another has been to capture better information on the activities of non-banks as a basis to inform more targeted policy measures.

The question of how to evolve the role of non-bank financial institutions to continue to contribute in sustainable way to financial inclusion is a complex one. While we can agree that a different approach to regulation from that applied to banks is justified, it cannot be at the expense of protection for financial consumers, and risks to financial stability. This middle ground is what is needed, taking into account the specific context of our own economies.

The role of financial education

Another important strategy for financial inclusion is the enhanced role of financial education. This is not only to encourage greater participation in the mainstream financial system, but also to keep individuals already in the mainstream from being financially excluded in future as a result of changes in the financial landscape. In a recent report by the OECD, a lack of awareness of different types of financial products, low level of confidence and poor knowledge of how products work were identified as barriers to financial inclusion. These factors will become more acute in an increasingly more complex and technology-driven financial system. Effective financial education will however, require more innovative approaches, broader partnerships involving the Government, educators, and non-Governmental organisations collaborating with regulators and the financial industry. The AFI network provides an important platform to examine these and other issues.

Conclusion

Through the AFI platform, we have a unique opportunity to work together to improve lives through financial inclusion and to have an enduring impact on global issues and developments. In this connection, a specific outcome of this Forum will be the commitment of AFI members to an Accord. This Accord will build on Maya Declaration of 2009 to extend the commitment of AFI members to take the financial inclusion agenda a step further forward towards achieving the vision of a truly inclusive financial system.

Let me conclude by expressing on behalf of Bank Negara Malaysia our deep gratitude to Her Majesty Queen Maxima for gracing this event. I would also like to thank the distinguished speakers and resource persons who have travelled from various parts of the world to share with us your valuable insights. To all participants, I hope this will be a memorable event, and one that will generate new knowledge and new ideas to spur your own country's journey to deeper financial inclusion. Once again, 'Selamat datang' to Kuala Lumpur and thank you for being here.

CALENDAR OF EVENTS
July – September 2013

1 July 2013

The Bank announced the new Financial Services Act 2013 (FSA) and Islamic Financial Services Act 2013 (IFSA), which came into force on 30 June 2013. The laws provide the Bank with the necessary regulatory and supervision oversight powers to fulfill its broad mandate with the more complex and interconnected environment, given the regional and international nature of financial developments. The FSA and IFSA amalgamated several separate laws to govern the financial sector under a single legislative framework for the conventional and Islamic financial sector respectively. The separate laws comprising Banking and Financial Institutions Act 1989, Islamic Banking Act 1983, Insurance Act 1996, Takaful Act 1984, Payment Systems Act 2003 and Exchange Control Act 1953 were repealed on the same date. The FSA and IFSA will place Malaysia's financial sector on a platform to advance forward as a sound, responsible and progressive financial system.

2 July 2013

To support the national agenda of "Going Green", the Bank promoted the usage of recycled fit banknotes of RM1 and RM5 denominations for the Hari Raya Aidilfitri celebrations. This initiative was a collaborative effort with Kementerian Tenaga, Teknologi Hijau dan Air, the Association of Banks in Malaysia, the Association of Islamic Banking Institutions Malaysia, Malaysian Environmental NGOs and Yayasan Anak Warisan Alam to promote sustainability of our resources and conservation of the environment.

5 July 2013

The Bank announced a set of measures aimed at avoiding excessive household indebtedness and to reinforce responsible lending practices by key credit providers. The measures, which took immediate effect, are a maximum tenure of 10 years for financing extended for personal use; maximum tenure of 35 years for financing granted for the purchase of residential and non-residential properties; and prohibition on the offering of pre-approved personal financing products. The key credit providers also need to observe prudent debt service ratios in their credit assessment.

To enhance responsible debt management by households, the Bank will intensify its efforts in financial education to all segments of society. Further, the framework for consumer protection will continue to be further strengthened under the Financial Services Act and Islamic Financial Services Act.

11 July 2013

The Bank decided to maintain the Overnight Policy Rate (OPR) at 3% at its fourth Monetary Policy Committee (MPC) meeting for the year. The MPC's assessment was that the global economy continues to experience slow growth and that domestic demand continues to support the Malaysian economy.

At its subsequent meeting on 5 September, the MPC kept the OPR at the same level. The MPC's assessment was that the global economy continues to experience modest growth as the strength of the recovery in the major advanced economies has yet to gain momentum. For the Malaysian economy, domestic demand continues to support growth. It also highlighted that there are increased uncertainties to the balance of risks surrounding the outlook for domestic growth and inflation and that it will continue to carefully assess the global and domestic economic and financial developments and their implications on the overall outlook for inflation and growth of the Malaysian economy.

30 July 2013

The Bank signed a MoU with the Malaysia Co-operative Societies Commission (Commission) to cooperate and share information in areas of common interests for the effective discharge their respective mandates, including formulation of legislation and policies, financial inclusion initiatives, capacity building and technical cooperation as well as the cooperative arrangements for financial stability. The MoU also sets out the operational and assessment framework that will be applied by the Bank and the Commission when considering an application by a co-operative society to undertake deposit taking activity from the public, other than its own members.

1 August 2013

The Malaysian Prime Minister introduced Malaysia's Islamic finance marketplace to the world and the MIFC's new iconic brand identity - "Malaysia: World's Islamic Finance Marketplace", marking a significant milestone in the development of the Islamic finance industry in Malaysia. The Prime Minister also took the opportunity to extend an open invitation to the global financial community to collaborate with and mutually benefit from Malaysia's Islamic finance marketplace that offers a comprehensive regulatory, supervisory, Shariah and legal framework.

21 August 2013

At the Second Quarter 2013 GDP press conference, the Bank announced that the Malaysian economy grew by 4.3% on an annual basis. While domestic demand remained firm, exports registered a larger decline, amid weakness across most export products. On the supply side, the major economic sectors expanded further in the second quarter, supported by the continued strength in domestic demand. The Bank also reported data on a quarter-on-quarter seasonally adjusted basis, with the economy recording a growth of 1.4% (1Q 2013: -0.4%). Meanwhile, the headline inflation rate, as measured by the annual change in the Consumer Price Index (CPI), was higher at 1.8% for the quarter, attributable mainly to price increases in the categories of food and non-alcoholic beverages and housing, water, electricity, gas, and other fuels.

28 August 2013

In her speech at the Asian Institute of Finance International Symposium 2013, titled "Changing Face of Talent", Governor Dr. Zeti highlighted that talent development and its management needs to be given high priority in preparing for the future that is going to be fundamentally different from the current environment. Two significant shifts in the environment are the significant transformation of the economic, financial and business landscape as well as changes in the character and nature of talent.

These shifts are reshaping the demand for talent that is the most important asset of any organization, including the financial sector. New strategies and approaches for effective human capital management are important. She also said that addressing the shortage of critical talent particularly in risk assessment and management in the new operating environment and in Islamic finance be given urgent priority.

On the same day, the Bank and the Hong Kong Monetary Authority (HKMA) held a bilateral meeting to discuss economic and financial issues and to consider initiatives that would help promote financial market development in Malaysia and Hong Kong. Following these discussions, the Bank and the HKMA have agreed to continue to further strengthen co-operation through collaborative arrangements to deepen trade and investment linkages. The joint efforts will cover, among others, offshore renminbi business development and the internationalisation of Islamic finance.

30 August 2013

The Bank and the Alliance for Financial Inclusion (AFI) signed a Letter of Cooperation to establish a collaborative framework for capacity building targeted at policymakers and regulators around the world. Under this initiative, both the Bank and AFI will jointly design and implement structured capacity building programmes in relevant policy areas to strengthen financial inclusion efforts throughout the AFI network of 108 member institutions.

31 August 2013

The Bank issued Commemorative Coins in conjunction with the 50th Anniversary of Muzium Negara (the National Museum). The coins were issued as Gold Proof, Silver Proof and Nordic Gold Brilliant Uncirculated with a face value of RM100, RM10 and RM1 respectively.

6 September 2013

The Bank and the Securities Commission Malaysia announced the establishment of the Finance Accreditation Agency (FAA), an international and independent quality assurance and accreditation body for the financial services industry. The FAA, which commenced its operations in August 2012, provides learning programme evaluation, accreditation, and institutional audits that will contribute towards the development of quality assurance and promotion of learning initiatives within the financial services industry. In addition, the FAA will seek to develop collaborations and affiliations for mutual and global recognition with local and international professional bodies and associations, accreditation bodies, and institutions of higher learning.

12 September 2013

The Bank with the Alliance for Financial Inclusion (AFI) jointly organised the 5th Annual Global Policy Forum (GPF) themed “Driving Policies for Optimal Impact”. The GPF was attended by more than 400 participants from 80 countries to discuss and deliberate on the optimal policy strategies in various contexts by synergizing financial inclusion, financial stability and consumer protection objectives.

In her welcoming remarks at the GPF, Governor Dr. Zeti expressed her deepest gratitude to Her Majesty, Queen Máxima of the Netherlands’ role in bringing the important agenda of financial inclusion to the attention of the international community.

Governor Dr Zeti also highlighted that among others, global reforms in the financial system are re-shaping the regulatory landscape. A key concern in this environment is thus strengthening the protection of various segments of society, in particular, small businesses and households, from being marginalized by market forces, and from the disproportionate impact of instability, crises and reforms. She also stressed on the roles of non-bank financial institutions and effective financial education to contribute in a sustainable way to financial inclusion.

The GPF concluded with the declaration of the Sasana Accord which further strengthens the AFI Network’s commitment to the Maya Declaration, taking it to the next level through the adoption of systematic assessment of impact to ensure quantifiable and measurable targets for financial inclusion.

16 September 2013

The Bank issued commemorative coins in conjunction with the 50th Anniversary of the Formation of Malaysia. Malaysia Day is celebrated on 16 September every year to commemorate the establishment of the Malaysian federation which comprises 11 states in Malaya and two states in Borneo, namely Sabah and Sarawak. The coins were issued as Gold Proof, Coloured Silver Proof and Nordic Gold Brilliant Uncirculated with a face value of RM100, RM10 and RM1 respectively.