

This collaboration would be enhanced to bring in the business perspective into the training conducted by the Centre.

Given the challenges facing the Centre in performing its functions in the dynamic global environment, regional members spearheaded new initiatives to transform the SEACEN Centre into an institution of regional excellence and choice of training by central bankers in this region. As a result, a broad strategic direction to guide the Centre in conducting its training and research activities was formalised in 2005. The strategic direction on training involved developing training modules and leveraging on technology, establishing strategic partnerships as well as strengthening the existing collaboration with internationally reputable training institutions to design and develop high quality training programmes. As a start, a flagship course would be developed for different levels of central bank staff and with different degrees of depth and complexities. This

would enable member central banks to select training activities according to their needs. With regard to the strategic direction on research, the Centre would enhance its research activities, in particular on issues of regional importance to central banks, which were relevant to and supported the training activities.

As part of the Bank's continued efforts to contribute to the region's capacity building for long-term growth, the Bank organised training and attachment programmes, as well as extended assistance in the form of study visits and briefings to share its experience with others. Under the Malaysian Technical Co-operation Programme (MTCP), the Bank offered places to foreign participants in two annual programmes, namely the Central Banking Course (since 1984) and the Banking Supervision Foundation Course (since 2002). To date, the Bank received a total of 253 foreign participants since the inception of the courses. In 2005, a total of 19 officials from 14 countries participated in the training programmes.

Key International Events Hosted by Bank Negara Malaysia in 2005	
JUNE 2005	
22nd	<p>Seminar on 10-Year Master Plan for Islamic Financial Services Industry</p> <p>The IDB and the IFSB, in association with Bank Negara Malaysia, jointly organised the Seminar on 10-Year Master Plan for Islamic Financial Services Industry. It was held in conjunction with the 30th Annual Meeting of the IDB Board of Governors. The objective of the seminar was to discuss key issues and considerations in the formulation of a master plan for the progressive and structured development of Islamic banking and finance. The master plan would define the blueprint and provide a common vision and template, as well as the implementation steps for countries in charting the future of the Islamic financial services industry. The seminar attracted more than 700 delegates comprising regulators, supervisors, market players and corporate figures from around the world.</p>
22nd-23rd	<p>Investors Conference on 'Malaysia: An Investment Destination'</p> <p>The Conference was held in conjunction with the 30th Annual Meeting of the IDB Board of Governors. Highlighting both conventional and Islamic investment opportunities in Malaysia in an environment of rapidly changing financial landscape, financial liberalisation and economic transformation, the Conference received an overwhelming response, with participants from 100 global institutions from 30 countries. At the close of the conference, two indices, namely, the Citigroup Malaysian Government Securities Index and the Dow Jones-RHB Islamic Malaysia Index were launched, marking another milestone in the development of the Malaysian capital market.</p>
22nd-23rd	<p>Shariah Scholars Dialogue</p> <p>A closed session dialogue was organised by Bank Negara Malaysia to discuss the need to foster the understanding among Shariah scholars on Islamic finance. The dialogue was attended by more than 40 Shariah scholars, including prominent scholars from Saudi Arabia, Tunisia, Iran, Bahrain, Pakistan, Bangladesh,</p>

Indonesia, Brunei and Malaysia. Recognising the vital role of the Shariah scholars in the development of a progressive Islamic banking and finance sector and in facilitating its integration with the global market place, a RM200 million endowment fund was established by Bank Negara Malaysia to provide the funding needs for research and development, and human capital development in the areas of Shariah and fiqh muamalat.

24th

Seminar on 'Derivatives in Islamic Finance'

Bank Negara Malaysia and the Financial Market Association of Malaysia co-hosted a Seminar on 'Derivatives in Islamic Finance' as part of on-going efforts to accelerate the growth of Islamic financial markets by strengthening the linkages of their components. This necessitated the development of a wider range of Islamic financial instruments including a tool for hedging or managing risk.

The Seminar was attended by participants from both local and foreign institutions who explored new ideas on managing risks from the Islamic perspective with special focus on the opportunities and challenges faced in implementing Shariah compliance risk-mitigating techniques such as Islamic Profit Rate Swap and Islamic Foreign Exchange Forward Contract. The Seminar would spur the need for greater collaborative efforts among regulators, Shariah scholars, Islamic financial engineers, researchers and practitioners to convert conceptual ideas into risk mitigation techniques and products to pave the way for a more vibrant and dynamic Islamic Financial system.

JULY 2005

13th-15th

The Euro Conference

The Euro Conference was jointly organised by the Bank and the European Commission. The high-level conference, themed 'Expanding ASEAN-EU Economic Links – The Role of the Euro', aimed to explore issues in further strengthening ASEAN-EU economic relations against the backdrop of the increasing role of the euro in the international financial system. The Conference provided a platform for an exchange of views on financial market developments and prospects in ASEAN and the EU, economic and financial integration, and the opportunities for increased trade and investment linkages between the two regional groupings.

Overall, the discussions at the Conference underscored that the bilateral spirit of cooperation between ASEAN and the EU was intact and growing but that there was a need to strengthen cooperation with each other so that both the regional groupings can reinforce the positive partnership to perpetuate continued shared prosperity. It was recognised that the future of ASEAN-EU relations would be dependent on the changing strategic landscape amidst globalisation, ASEAN's and the EU's desire to play a greater role in the global economy and international affairs, the EU's ability in managing its enlargement process, and ASEAN's commitment to forge greater regional integration.

NOVEMBER 2005

21st-23rd

Regional Conference on Investment Climate and Competitiveness in East Asia

The Regional Conference on Investment Climate and Competitiveness in East Asia was jointly organised by the Economic Planning Unit of Malaysia, the WB and Bank Negara Malaysia in Kuala Lumpur. The objective of the Conference was to provide a platform for international experts, private sector representatives, and policy makers from the East Asian region to share experiences in designing and implementing policies to create a good investment climate that would lead to better economic and social outcomes through improvements in productivity and competitiveness, resulting in higher growth and greater wealth creation.

The Conference, which attracted senior officials and private sector participants from 10 countries, namely Brunei, Cambodia, China, Indonesia, Laos PDR, Malaysia, Mongolia, Philippines, Thailand and Vietnam, discussed the following:

- Various forms of investment climate constraints. These included uncertainties in government policies, inadequate infrastructure, poor governance, insufficient human capital, overly restrictive regulatory framework and inadequate access to finance;
- Effects of investment climate constraints on firm performance;
- Programmes and policies to address the constraints to enhance firm productivity; and
- Some lessons from benchmark countries.

The Conference created greater awareness among participating countries on new pressures and challenges from the rapidly changing economic and financial environment and various approaches that could be taken to attract investment and enhance the growth potential.

DECEMBER 2005

14th-16th

Third International Forum on Financial Consumer Protection and Education

The Third International Forum on Financial Consumer Protection and Education hosted by Bank Negara Malaysia was themed 'Fostering Greater Consumer Protection and Education'. The Forum provided a platform for financial regulators worldwide to discuss emerging issues relating to consumer protection and education as well as to share knowledge and experiences in these areas.

Some 60 participants from 30 countries, comprising senior officials from regulatory authorities attended the Forum. The Forum examined approaches to promoting fair market practices and equitable treatment of consumers as well as effective product disclosure and transparency standards. The Forum also saw an exchange of views on measuring effectiveness of these approaches and on the future or direction of financial consumer protection and education. Significant progress was made in fostering closer working relationships among regulators and laying the groundwork for the development of best practice standards on consumer protection and education issues.