

The Association of Banks in Singapore
34th Annual Dinner
Address by Mr David Conner, Incoming ABS Chairman
Friday 29 June 2007

Mr Lim Hng Kiang, Minister for Trade and Industry

MAS officials

Distinguished Guests

Fellow Council Members

Ladies and Gentlemen:

Let me join Ee Cheong in thanking Minister Lim Hng Kiang for gracing tonight's Dinner. I wish also to thank member banks and all guests for your presence this evening.

Ladies and gentlemen, in all sincerity, I am honoured once again to assume the position of ABS Chairman, a position I last held for 15 months until June 2003. Since then, much has changed in Singapore's economic and financial landscape.

From 2001 to 2003, we were battling the effects of several adverse developments, in particular the global fall-out from 911, the bursting of the Internet bubble and, in Singapore, the SARS outbreak which was a challenging period for both the Singapore economy as well the banking industry.

Contrast that with today, where the Singapore economy shows all the bloom of a second spring. Property prices are surging, in some instances towards what seems to be the stratosphere. The stock market has recently hit enough new highs for such achievements to seem almost passé. And Singapore has initiated several measures - taken bold steps -into new ventures that will both boost the economy and open up new avenues for future growth. These include the staging of the highly exciting F1 race from 2008 and the opening of two integrated resorts, one in Marina Bay in 2009, the other in Sentosa in 2010.

Amidst today's optimism and buoyancy, the pressure on banks to perform remains unrelenting, which is to be expected in a globalised and fast changing environment. On the

supply side, competition continues to be keen among member banks – as new and more sophisticated products and services are rolled out, everyone is trying to better earlier offers. On the demand side, consumers, both companies and individuals, are increasingly vocal in clamouring for higher service standards and more value. To help members meet these multi-faceted challenges, ABS has been and will be rolling out several programmes, to build on what has been accomplished under Ee Cheong's watch as well as that of his predecessors.

First, let me highlight what ABS will be doing on the consumer front:

With the banking industry on a roll introducing new and sophisticated products and services into the market, ABS remains committed to educating consumers so that they and the banks will be on the same page, so to speak.

Thus ABS will continue to work with MoneySENSE, spearheaded by MAS, to bring out more information guides so that consumers will have easy to understand standard reference points for their banking transactions. For example, we have just this month launched a new pamphlet with a list of pertinent questions for borrowers to pose to banks before taking on a home loan. This comes on top of the "What You Should Know" series that covered banking accounts, credit cards, car financing and investment products.

The Association will also break new ground with a series of debt management seminars for individuals in the S\$20,000-S\$30,000 annual income bracket, to whom the banks will be extending unsecured credit facilities for the first time, when changes in the unsecured lending rules take place sometime this year.

Second, ABS will continue to work on enhancing banks' credit risk management capabilities through our associate company, Credit Bureau (Singapore) Pte Ltd (CBS). Even as new credit agencies are opening up, we are confident that the competition will spur CBS on to improve their services to member banks, with comprehensive, accurate and up-to-date credit information, benchmarked to international standards coupled with appropriate analytical tools.

Third, ABS is mindful of its corporate social responsibilities. Among initiatives in this area, ABS is supportive of Singapore's Enabling Masterplan which aims over the next five years to chart programmes and services for Persons With Disabilities (PWD) and to enhance their employment opportunities. A briefing will be held shortly for members to help them determine their support for this plan, which opens new possibilities for PWDs, an often overlooked source of manpower.

Fourth, the threat posed by financial crime continues to grow and ABS is determined to play its part to help keep this danger in check. We will do this once again through the Asia-Pacific Financial Crime Conference & Exhibition which will be held this year on Aug 2nd and 3rd. This is the fourth year we are organising this annual non-profit regional event to raise the industry's awareness of financial crime, in particular money laundering, terrorist financing and fraud.

We would like to encourage member banks to take maximum advantage of this gathering of experts to learn about the practical aspects of preventing financial crime. The two-day conference also presents excellent networking opportunities while the exhibition will showcase the technology and services available in the marketplace to help battle such crimes.

Fifth, ABS will continue to update member banks on current areas of concern pertaining to Business Continuity Management by organising workshops and seminars as well as training courses to upgrade related skills in the industry.

Sixth, on the international front, the Association is represented on the 25-member SWIFT Board in Brussels. This enables Singapore to influence decisions regarding SWIFT initiatives, taking into consideration the issues faced by banks in Asia. An ABS representative also sits on the 9-member Uniform Customs & Practices Drafting Group (UCP600 Drafting Group) of the International Chamber of Commerce Commission on Banking Technique and Practice (ICC Banking Commission). Through this participation, we have and will continue to keep active watch for developments on the international trade front which will impact banks in Singapore and, where possible, voice the collective opinion of banks in Singapore with a view to influence the final outcomes.

As ABS Chairman, I look forward to member banks' active participation in the work of the Association. I particularly encourage more members to join our Standing Committees and our Task Forces, so that our deliberations will benefit from the widest perspectives possible. I also urge members to provide ABS with any and all ideas they may have to move Singapore's financial industry forward.

Finally, I wish to place on record our appreciation to Ee Cheong for his leadership and the achievements of the ABS over the past 2 years, and I look to the continued support of ABS Director, Mrs Ong Ai Boon, and the entire staff at the ABS Secretariat. Most important, I thank all of you for your commitment to The Association of Banks in Singapore.

I now invite Minister Lim to address us.

Thank you.
