

# Doha Bank is participating in Sibos Conference in Geneva

**D**oha Bank is participating in the Sibos Conference in Geneva, which will be held until September 29. The theme for the 2016 conference programme at Sibos in Geneva is “Transforming the landscape”.

On the sidelines of the Sibos Conference yesterday, Doha Bank CEO Dr Seetharaman highlighted various banking business models and said, “In response to the crisis the global regulatory reforms had been actively reviewed under the leadership of G20 countries in co-ordination with the Financial Stability Board (FSB), International Monetary Fund (IMF) and Bank for International settlements (BIS). The Dodd-Frank Wall Street Reform and Consumer Protection Act in US implemented the regulatory reforms in response to the crisis.

The Volcker’s Rule was enacted under this regulation to restrict proprietary trading. The Securities and Exchange Commission (SEC) also proposed tougher disclosure rules for hedge funds and private equity firms. FSB, IMF and BIS are working on macro-prudential policy frameworks, including tools to mitigate the impact of excessive capital flows.

Policy framework for systemically important financial institutions, regulation and oversight of shadow banking, risk practices on structured products were some of the areas which required review in the light of current crisis. Basel 3 is also under implementation.

The banking business model will be redefined on account of shift from de-regulation to re-regulation. Globalisation, technology, consumerism and re-regulation were the key



Dr Seetharaman speaks at the Sibos Conference in Geneva.

areas driving the change. However, technology is one of the key enablers of the banking industry. Given the regulatory environment and continued pressure on costs in the capital markets, financial institutions are more than ever considering how to collaborate in non-differentiating areas and utilise new technologies.”

On GCC reforms, he said, “This year Saudi Arabia has unveiled its Vision 2030 roadmap with three key themes – a “vibrant society”, a “thriving economy” and an “ambitious nation”. Saudi Arabia’s stock market regulator said it would ease rules for foreign investments on the bourse, as part of efforts to open its capital market under an economic diversification plan.

In December 2013, the Qatar Central Bank (QCB), QFC Regulatory Authority (QFCRA) and Qatar Financial Markets Authority (QFMA) have jointly launched a strategic plan for the future of financial sector regulation in Qatar.

In April 2015, the QCB and the World Bank launched a technical cooperation programme to further strengthen financial oversight in Qatar. GCC countries aim to introduce VAT from January 1, 2018.

Highlighting the GCC & Qatar banking industry, Seetharaman said, “The asset growth in Qatar was close to 6% and lending growth 7% until July 2016. The banking sector has a strong bond with the economic environment and, hence, is poised for multidimensional growth.

A developing economy like Qatar requires considerable financing and so the growth opportunity for the financial sector is strong.

“However the fall in oil prices had impacted the liquidity in banking sector this year. The deposit growth in Qatar was more than 5% until July 2016. Qatar banks are also looking forward to leverage on innovations in technology for the benefit of customers. Technology will also encourage remittances from the region. The provision of remittances through the GCC banking system improves financial inclusion as it leads to development of credit history for individuals.

“Cost of remittances in the GCC can also be reduced through usage of technology and thereby encourage greater participation. On the whole the banking business models are getting redefined through financial inclusion and re-regulation.”