

'Need harmonised standards for fin services'

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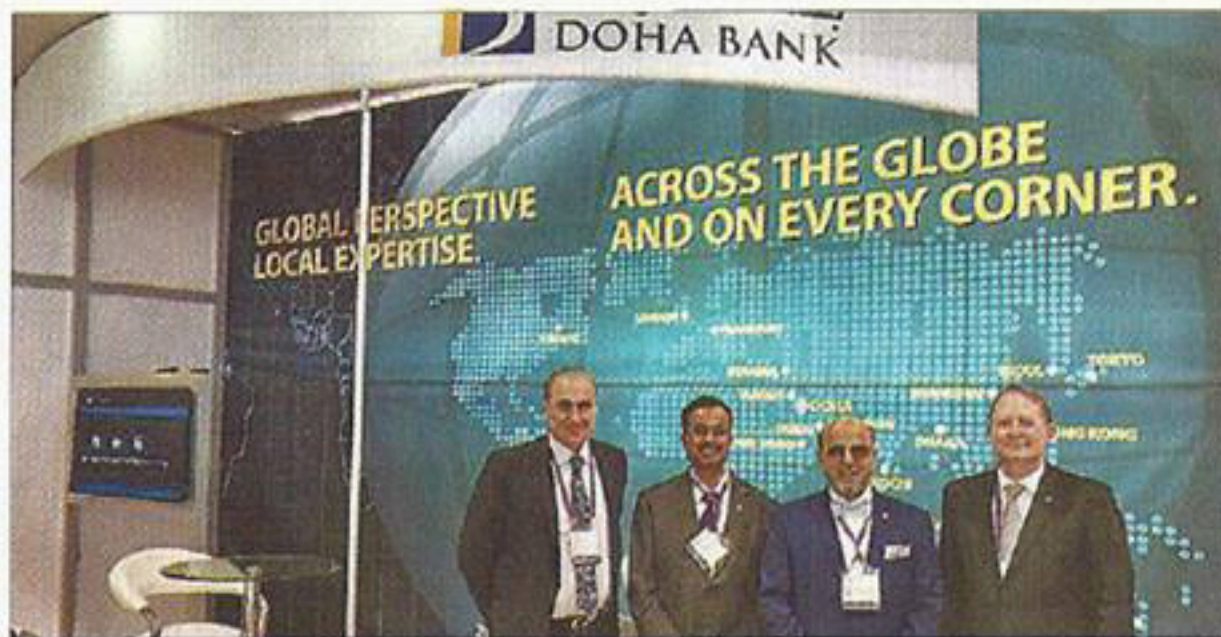
DOHA

LACK of harmonised standards for financial services will contribute to trade imbalances between economies and threaten global stability, Doha Bank CEO R Seetharaman said in Toronto.

"In the wake of the (global) financial crisis, there was clear consensus that something should be done at a global (G20) level to prevent similar events in the future," he said at the SIBOS 2017 Conference held in Toronto, Canada, this week.

"The threat of another crisis has not receded, however consistent, globally applied reporting standards remain an important aspiration if overseers are to achieve effective surveillance of the market,"

"More broadly, lack of harmonized standards for financial services is recognized as contributing to trade imbalances between economies with strong financial services sectors and others, further threatening stability,"



Seetharaman said.

Highlighting the technology trends impacting the banking sector, he said, "We have been hearing for many decades of the impending demise of banks due to a tectonic shift in technology. Yet those same banks have by and large managed to evolve by integrating those obviously not-so-deadly killer apps.

"We need to see how real-time applications drive large banks towards becoming open platforms."

Across the world, he said

new regulation and competition is opening up banks in ways like never before.

"UK Open Banking, NACHA's open API initiative, and many more across the world, offer banks a strategic choice. 'Comply or Leverage to Dominate'. This will help us design our enterprise for Open Banking, enabling banks to monetise APIs, build partnerships with Fintech.

There are many examples on the impact of Fin Tech and Digitisation on Financial Services, but corporate banking has not seen

the full impact yet."

Talking about key developments in transaction banking, he said, "The transaction banking ecosystem is opening up at a fast pace: fintech and software vendors are offering corporate clients account aggregation and a user experience that global banks have been struggling to provide.

"Simultaneously transaction banking profitability is under pressure due to persistently low rates, new competitors on the most profitable products and surging investments in compliance and cybersecurity.

"Banks need to reinvent themselves to thrive in this new environment. There are multiple regional and global initiatives underway to modernise the payment industry.

"All have one thing in common, for customers to achieve benefits, more likely than not, they will need to re-think how they make and receive payments. These changes can be extremely complex and create opportunities and risks for the clients."