

'Reforms are redefining banking business models'

The Peninsula

DOHA: World's banking business models are increasingly getting redefined through financial inclusion and re-regulation, Doha Bank CEO Dr. R Seetharaman (pictured) said yesterday.

Speaking on the sidelines of the ongoing Sibos Conference in Geneva, Dr. Seetharaman said in response to the financial crisis, the global regulatory reforms had been actively reviewed under the leadership of G20 countries in co-ordination with Financial Stability Board (FSB), 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 SEC also proposed tougher disclosure rules for hedge fund and private equity firms. These reforms are transforming the global banking landscape, he said.

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 areas driving the change," he said.

Giving an insight 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 investment 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. Dr. Seetharaman highlighted on GCC & Qatar Banking Industry. He said "The asset growth in Qatar was close to 6 percent and lending growth was close to 7 percent till July 2016.