

Effective Oversight of Mobile Payments

3-day intensive residential programme
6-8 December 2011

Putrajaya Marriott, Kuala Lumpur, Malaysia

Series advisor:
Charles Goodhart
Professor Emeritus
London School of Economics



Dear delegate,

The attraction of mobile payments is unquestionable. Around the world new systems are being developed as new players are entering the market and, importantly, more payments are being made using mobile phones. It is quite clear that we are seeing a change in the market.

Increasingly, central banks and practitioners recognise that smartphones and mobile applications have made the mobile one of the strongest channels for immediate funds transfer. In addition, it has opened the door to other functions, such as NFC transactions, multiple accounts or foreign exchange without the need to visit a bank or hold cash.

Yet, as markets and users grow in both developed and developing countries, questions of oversight and regulatory policy emerge. For central banks this presents a challenge as this is part of the retail payments sector, which they have traditionally had little formal involvement with.

How will mobile payments work in the context of existing immediate funds transfer providers? What risks do they bring? Are there enough standards to ensure long-term integrity and security? Is the market developing in an open and competitive way?

Effective Oversight of Mobile Payments will take you through the evolving mobile payments ecosystem, discussing case studies of successful mobile payments systems, highlighting innovations and emerging trends and debating good practices towards overseeing how important they are.

Key sessions consider:

- The rising mobile payments ecosystem
- Integrity, reliability and stability in banking systems and national payment systems
- The fundamentals of cross border remittances
- Dynamic data authentication for mobile payments security
- Money laundering and terrorist financing within the mobile payments space

Now, following the world-renowned Cambridge and Windsor series, Central Banking is delighted to launch a new series of seminars / training courses in Asia this December. This new series draws on Central Banking's more than a decade of experience in hosting meetings for the official sector.

As ever, all seminars are held in closed-door roundtable setting. The focus is on finding practical, tailored ways to meet common challenges. This format, as more than 3,000 central bankers, regulators and debt managers can attest, enables participants to quiz panellists and exchange views with peers in informal, confident surroundings.

Yours sincerely,



Robert Pringle
Chairman
Central Banking Publications

Tuesday 6 December

The Mobile Payment Landscape

Chairman's introduction

This session sets the scene for mobile payments by introducing and discussing themes that will recur throughout the course. Topics for consideration will include the players in the mobile payments market, emerging opportunities and risks, standards and their application. The group will be invited to consider the challenges these dynamics pose for the oversight function and how it may need to respond especially in the light of the growth of mobile payments.

The evolving mobile payments ecosystem

Mobile payments are in a state of flux. Different business models vie for market share and new players ranging from banks to telcos bring new products to trial and to market. This session will chart the rise of mobile payments, both technologically and economically. The speaker will first identify the key players from banks to telcos to payment institutions, drawing on examples from around the world and consider the potential for growth. The second half of the discussion will be devoted to consideration of the policy issues for central banks and regulators. What are the challenges from the domestic and international perspective?

Towards a framework for oversight

Central banks have, traditionally, little or no involvement at either an operational or oversight level with retail payments. Recent years have seen this change however and, increasingly policymakers acknowledge that there are legitimate policy concerns for monetary authorities given the importance to the public and the economy of these systems. Drawing on oversight frameworks and experience within central banks, this session will look at how to formulate an approach on oversight towards mobile payments ensuring soundness and stability but at the same time encouraging innovation and competition.

Scene setting: India's approach to the mobile payment space

With the rapid growth of mobile phone subscribers in India, banks have been exploring the feasibility of using mobile phones as an alternative channel of delivering banking services. This session will outline the regulatory approach taken by the Reserve Bank of India to create a framework for mobile payments. The session will also draw on the example of Obopay, which has enabled Nokia to launch an interoperable mobile payment service.



“ I have attended many workshops for central bankers. Those organised by Central Banking Publications are by far the best. ”

Wednesday 7 December

Innovations, Opportunities and Development

Case study: G-CASH Philippines and remittances

Mobile money services have meant that, between certain jurisdictions, cross-border money transfers to family and friends have become as simple as a call or sms message. G-CASH of the Philippines represent an example of a system that is open 24/7 providing an inter-operable m-commerce platform that allows multi-language and multi-currency money transfers across various m-commerce platforms of partner mobile operators around the world. This session will look at how the service works and take in plans for future expansions. Broader discussion will look at the application of mobile payments to remittance corridors.

Scene setting: M-PESA, the highly successful mobile phone based payment platform

With over 2 million transactions a day, the service is acknowledged as a world leader in this area with similar services being launched in other countries. What did M-PESA do to achieve such success? How did banks and non-banks work together to achieve regulator's approval? How did it go about building a secure money transfer network and KYC checks?

Looking to the future with NFC

Being able to use your phone as a wallet to make payments without the need for credit cards, cheque books or other payment methods, the promise of NFC is seductive. Drawing on examples of successful implementations, this session will look at how risks have been managed and the role authorities have played in ensuring the infrastructure exists to enable a critical mass of payments to develop. The place of NFC within the broader area of mobile payments will be discussed.

Ensuring resilience of smart money, mobile payments and supporting networks

This session will look at the technologies and infrastructures required to support mobile payment systems broadly. The group will be invited to consider the challenges involved in bringing together a variety of businesses and sectors. How can national authorities ensure an adequate level of protection without stifling competition and innovation? How can regulators ensure a level playing field? How can interoperability be safeguarded?



■ ■ The seminar was valuable in bringing us together and allowing networking in highlighting issues of common concern. ■ ■

Thursday 8 December

Governance and Compliance

Dynamic data authentication for long-term integrity and security

As technology advances consumers become ever more engaged with and dependent on their mobile phones. This raises the question of data integrity and security. With so much at stake, are players adopting sufficient data authentication for mobile payments security? How can data be safely stored? This session will look at how operators are protecting their data and what central banks should demand of them.

How will expanding mobile payments impact the financial system?

The advent of mobile payments represents a watershed in finance. Already, new non-bank players are taking an active interest in the mobile payments space; from mobile phone carriers, banks, credit card companies to new entrants. A well designed mobile payments solution has the potential to benefit all interested stakeholders but how will the growing number of providers impact the banking system? How would payment innovation influence the future of banking and payments? Will there be conflicting pressures and different outcomes amongst players? Would agents require extra regulation and supervision? This session will consider these questions and their implications for the oversight framework.

Vulnerabilities to money laundering and terrorist financing

As mobile payments increase in use, so too will the attraction to conduits for money laundering and illegal payments. This session will consider how to identify and manage potential money laundering and terrorist financial risks in mobile payments. Are there any regulator measures to minimise money laundering and terrorist financing risks? How can central banks and regulators strike a balance between safety and the regulatory burden borne by market players?

Closing session

The day and the course will conclude with a session led by the chairperson drawing on the main points of the course including the findings of the workshop. Delegates will be encouraged to pool their thoughts and prepare action points to take back to their home institutions.

For speaker information please visit: www.centralbanking.com/mobilepayments



■ ■ Unforgettable learning experience
in a very congenial environment. ■ ■

About the Central Banking Training Asia Series

Following the world-renowned Cambridge and Windsor series, Central Banking is delighted to be hosting this new series of training courses in Malaysia this December. This new series draws on Central Banking's more than a decade of experience in hosting meetings for the official sector.

As ever, all seminars are held in a closed-door roundtable setting. The focus is on finding practical, tailored ways to meet common challenges. This format, as more than 3,000 central bankers, regulators and debt managers can attest, enables participants to quiz panelists and exchange views with peers in informal, confidential surroundings.

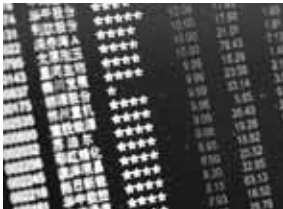
Other courses in the series include:

Emerging Challenges for Debt Management and Investor Offices



Debt management is profoundly changing. More and more debt managers acknowledge how the fallout from the crisis has impacted issues such as sovereign debt management, sub-national debt and cash management, and domestic vs international investment. At a time of financial turmoil governments increasingly look to their debt managers to secure funding and provide stable benchmarks. Designed for debt management offices, central banks and those working in investor offices this course brings together leading industry figures from across the world to discuss and debate the most pressing debt management issues.

Renminbi Internationalisation: Opportunities and Policy Implications for Central Banks



The rise of the Chinese renminbi presents significant policy challenges but also opportunities for central banks. This course looks at the emergence of this new global currency from financial stability, settlement and reserve management perspectives. It considers how strategies for internationalisation are being implemented and how this is already shaping markets and economies. Throughout, an expert panel of speakers will explain emerging internationalisation policy and its impact on central bank.

Islamic Finance: Overseeing and Developing Financial Markets



As Islamic finance becomes a major worldwide financial sector, central banks increasingly interact with this growing industry. Yet, just as the industry is emerging, so too is the regulatory framework and good practice within this. This course equips participants with the tools to implement and develop effective policies to regulate and encourage these markets. The global panel of speakers combines scholars, experts, and experienced regulatory advisers.

For more information please visit: www.centralbanking.com/asiaevents

Booking details

Course fee: \$3,600 (US)

Course fee includes:

2 nights accommodation, meals, refreshments, course documentation and a complimentary copy of the most recent issue of the Central Banking journal. Substitute delegates can be accepted should the registered delegate be unable to attend; please let us know prior to the event.

■ ■ A great opportunity to share and learn. ■ ■

How to book

Please complete and return the registration form overleaf to:

Central Banking Publications
Incisive Media

20/F Tower 2

Admiralty Center

18 Harcourt Road,

Hong Kong

telephone: +852 3411 4864

fax: +852 3411 4811

email: cs.asia@incisivemedia.com

website:

www.centralbanking.com/asiaevents



The venue

Putrajaya Marriott

IOI Resort City

Sepang Utara

62502

Malaysia

T: 60 3 8949 8888

F: 60 3 8949 8999

About Central Banking Publications

Central Banking Publications' events division is the leading independent organiser of public policy seminars/training courses for the official sector. Since 1997, CBP has hosted roundtable seminars and training courses for over 3,000 senior policymakers from central banks, ministries of finance and financial regulatory agencies around the world. Senior officials from more than 125 countries have attended these meetings over the past ten years.

Registration for Effective Oversight of Mobile Payments

1. Delegate details: PLEASE WRITE IN CAPITALS

Mr/Mrs/Ms: _____ Surname/Family name: _____

First name: _____

Job title: _____

Organisation: _____

Address: _____

Postcode: _____

Telephone: _____

Facsimile: _____

Email 1: _____ Please provide us with the direct email address of the delegate and an additional email address if possible.

Email 2: _____ This is very important because all correspondence with delegates is by email..

Course fee: \$3,600 (US)

2. Payment details:

Cheque: I enclose a cheque for US\$ _____ payable to Central Banking Publications Ltd.

Bank transfer:
Our customer service team will be in touch shortly to confirm details for a bank transfer

Credit card: please charge £ _____ to my Visa Mastercard American Express

Card No: Security Code:

Cardholder name: _____ Expiry date: _____

Cardholder address (if different from above): _____

Signature: _____ Date: _____

I have read and agree to the terms and conditions below.

Signature: _____ Date: _____

Terms & Conditions: A refund (less 10% administration fee) will be made if notice of cancellation is received in writing three weeks before the event. We regret that no refunds can be given after this period. In addition delegates are wholly responsible for obtaining any necessary entry visas and refunds cannot be given as a result of non-attendance arising from a failure to secure such visa. A substitute delegate is always welcome at no extra charge. The programme may change due to unforeseen circumstances, and Incisive Media reserves the right to alter the venue and/or speakers. Incisive Media accepts no responsibility for any loss or damage to property belonging to, nor for any personal injury incurred by, attendees at our conferences, whether within the conference venue or otherwise. Data protection: by registering for a Central Banking training course you will receive further information relating to this event. In addition we will send you information about our other relevant products and services which we believe will be of interest to you. If you do not wish to receive other relevant information from Incisive Media via a particular medium please click the following relevant boxes: mail phone fax email Incisive Media will also allow carefully selected third parties to contact you about their products and services. If you do not wish to receive information from third parties via any of the following media please tick the relevant boxes: mail phone Please tick if you are happy to receive relevant information from carefully selected third parties by email and fax .