

Notes from the President



Dear Colleagues and Friends,

Cheers to the New Year, and all the great things we are confident it will bring our way!

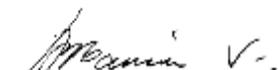
Thank you for the generous support you have given BAIPHIL and all its programs and projects in 2018. It was an exciting time as we ventured into new initiatives designed to propel our organization more boldly into the future. We laid down our highest aspirations into a strategic plan we now vigorously pursue. The most valuable outcome of this move, is the clarity of direction that has set both the path and pace of BAIPHIL for the next five years. Our incoming leaders now have a sturdy platform to build upon.

Alongside, we covered extensive ground in the last seven months, not just in view of the over 50 training programs, the General Membership Meetings and other activities we were able to mount, but also in terms of strengthening our Secretariat structure, rationalizing our program fees and costs, stepping up our membership recruitment and engagement efforts, and especially, pressing for the development of our own Subject Matter Experts, into effective and compelling Resource Persons.

We have a lot to look forward to this year, on top of the training menu. The BAIPHIL Convention (BAICON) on March 14-16 at the Baguio Country Club is high on the list. With our BAICON Team hard at work on giving you the best, this is an event you would definitely not want to miss. On another front, we carry on with the preparations for the implementation of the CPD financial courses we want to be able to provide. We also continue with our Corporate Social Responsibility projects, and of course, the fellowship activities for our own members.

On behalf of our Board, Officers, Committees and Advisers, thank you everyone, for staying the course. Here's to even more productive and meaningful times ahead.

Game on, fellow stewards!


DOM B. GAVINO, JR.
President



BANKERS INSTITUTE OF THE PHILIPPINES, INC.

Notes from the President

Learning Leaps Big to 2019; Training on AMLA, Trade Finance, Real Estate Appraisal, National Risk Assessment, and IT Security kick off
New Year Offerings

Last Half of 2018:
Taking Stock

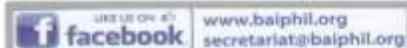
Bankers' Night

GMMs Gallery

BAIPHIL Goes to ASEAN Bankers Conference

BAIPHIL Christmas Party

F.Y. 2018-2019



Learning Leaps Big to 2019; Training on AMLA, Trade Finance, Real Estate Appraisal, National Risk Assessment, and IT Security kick off New Year Offerings

BAIPHIL welcomes the New Year running! Its Training Calendar is filling up fast, beginning with a full-packed January that features programs on the BSP Circular 706 amending the Anti-Money Laundering Act (AMLA) and the AML Risk Rating System (Jan. 11), Minimum Prudential Liquidity Requirements (Jan. 18), Basic Real Estate Appraisal and Credit Investigation (Jan. 18 & 19), and National Risk Assessment (Jan. 29), and IT Security in Banking Operations (Jan. 29 & 30). Venues will mostly be at the Dusit Thani Hotel and Makati Diamond Residences.



Anti-Money Laundering Act and the AML Risk Rating System



Minimum Prudential Liquidity Requirements



Basic Real Estate Appraisal and Credit Investigation

Bankers Institute of the Philippines, Inc.
cordially invites you to the half-day Seminars on
National Risk Assessment
Atty. Ruel M. Burnatay
Acting Deputy Director - Financial System Integrity Department
Bangko Sentral ng Pilipinas

29
January 2019
8:30 AM - 12:00 NN

Dusit Thani Manila
Ayala Center, Makati City

BAIPHIL cordially invites you to:
IT SECURITY
in
Banking Operations

Mr. Mario B. Demarillas
Consultant for an IT Company

January 29-30, 2019
8:30 AM - 5:00 PM

Dusit Thani Manila
Ayala Center, Makati City

One special offering members would do well to anticipate is the Trade Finance Academy, a multi-level program designed to develop and strengthen a bank's trade finance team through a progressive structure. It covers the concepts and skills required of trade practitioners in four levels – Beginner (Jan. 24), Intermediate (Jan. 25-26), Advance (March 1-2) and Expert (April 12-13). Targeted participants are bank personnel from the International Operations, Finance, Corporate Banking, Internal Audit, Credit Risk, and Compliance Departments, as well as those who are expected to enhance their competency in trade finance operations, or are interested in the trade finance business. Those intending to enrol are encouraged to identify their level of knowledge, skills and interest ([check out training content per level here](#)) to optimize the benefits they and their respective banks can derive from the training. International Trade Operations Consultant, Mr. Thomas Wong, will conduct the course.

The graphic is a dark-themed invitation for the Trade Finance Academy. On the left, there are several overlapping circles containing images of banknotes and a candlestick chart. The BAI PHIL logo is prominently displayed in the center-left. The text on the right side of the graphic provides the following information:

BAIPHIL cordially invites you to:

Trade Finance Academy

Mr. Thomas Wong
International Trade Operations Consultant

Beginner	–	January 24, 2019
Intermediate	–	January 25-26, 2019
Advanced	–	March 1-2, 2019
Expert	–	April 12-13, 2019

For reservation/s, please contact us at: tel no.: (02) 853-4457 email add: training@baphil.org

Also in this quarter's line up of programs are the oft-requested Accounting for Non-Accountants with Financial Statements Analysis (Feb 21-22), Bankers' Advance EXCEL (Feb 8-9) and Macros Training (Mar 8-9), Third Party Risk Management (Feb 15), Establishing Internal Controls in Banks (Feb 16), Compliance with BSP Operational Risk Management Guidelines (Feb 22), Project Management Fundamentals (March 1), Leadership Effectiveness and Advancement Program (March 22-23), and Know Your Money & Counterfeit Detection for Peso, US Dollar and Other Third Currencies (March 30). Another batch of the Developmental Program on Treasury Operations (spread out from March to May) is also in the works.

BAIPHIL continues to partner with the Bangko Sentral ng Pilipinas, as well as other agencies, leading consultancy firms and training service providers, to deliver high quality programs that strongly respond to the learning needs of its members.

Check your mailbox for e-flyers on BAI PHIL program offerings, or [access them here](#), and book your training now!

The Last Half of 2018: Taking Stock

“Super hectic, but definitely rewarding!” says Board Member and First Vice President Ms. Bles Andres, as she sums up BAI PHIL’s performance in the last six months. “We had a lot on our plate, but with everyone’s help, we closed the year very much on track, mission-wise.”

The data on the dashboard bear out her enthusiasm – 49 program runs with a total participation count of 2,318 or 49% and 59% of the year-long targets of 100 and 3,905, respectively. Six General Membership Meetings were successfully staged, featuring highly relevant subject matters and compelling speakers that kept audiences coming. A Bankers Night was hosted to welcome new members, as well as entice everyone else to spend time together in fun and revelry, and actively promote the sense of fellowship that defines BAI PHIL as an organization. Simultaneously, measures to rationalize the financial, management and support structures were undertaken, resulting in the rationalization of training fees, engagement of additional officers to reinforce the Secretariat, and the review and realignment of positions, among others.

“The expression ‘full board,’ had a new meaning for me,” chuckles President Dom Gavino. “Now it’s my quick term for ‘all hands on board,’ when we need everyone to man overlapping activities, or when we make an urgent call for full commitment as we face extraordinary challenges. This year’s Board is halfway down the road so to speak, and so far, so good.” He and his leadership team also ensured that BAI PHIL did its part in hosting guests from international counterpart institutions, supporting key stakeholders’ programs and projects, building partnerships and pursuing consultative learning linkages with individual members.





“We are glad that in 2018, most of our training activities were in the area of ‘Products, Branch Operations and Management,’ with 17 program runs, followed closely by ‘Governance, Legal and Compliance’ with 16 runs,” notes Bles. “These are also our most-attended programs. The learning needs are clearly more urgent in these areas, particularly as our members sought to be well-informed and in step with regulatory directions and requirements in various aspects of banking operations.”

“Of course, we cannot overlook our need to build competencies in finance and audit, risk management and information technology, particularly security, so we had a number of offerings in these areas,” points out Dom. “And yes, we take pride in the fact that we were able to offer four batches of the program on leadership and supervision. This is a relatively new direction for us. It makes our training menu more responsive and holistic.”



Significantly, evaluation results of the programs conducted last year showed positive responses from participants, on the various aspects of the training they attended. All of the programs were rated favorably, most of them scoring high averages in the bracket between Very Satisfactory (4) and Excellent (5). Evaluation is a critical part of the training process, designed to identify concerns and facilitate continual improvement.

BANKERS' NIGHT: A Toast to Friends, New and Old

The Membership, Program and Attendance and Sports and Fellowship Committees led by Directors Aileen Guce, Mhenn Matute and Romel Meniado, and Chairpersons Weng Marcelang, Jane Japor and Malou Panzo joined hands to bring BAIPHIL members, old and new to a fellowship gathering billed "Bankers Night," at the Makati Diamond Residences on September 28, 2018.

The event was designed to warmly welcome new members to the Institute and get them to interact with their BAIPHIL fellows in a decidedly light and unhurried atmosphere, one rarely sees in the regular training programs and membership meetings.

The three committees worked seamlessly to create a unique and thoroughly engaging evening. The venue was set up to encourage people to circulate, and a series of creative games and exercises were mounted to get everyone connecting and relating with everyone else. The Board and other officers, advisers and even past presidents not only gave their welcome spiels, but gamely participated in the lively activities, to the delight of the "newbies".

The event also launched the new BAIPHIL Corporate Video, described by President Dom Gavino as a bid "not just to document the organization's history but to inspire everyone to work together and advance its cause."



GMMs GALLERY

A Compilation of snippets and images from the General Membership Meetings

July 13, 2018

Induction of BAIPHIL Board of Directors, Officers
and Committee Chairpersons for 2018-2019



Incoming President Dom Gavino, Jr.



"Year-over-year, BAIPHIL elects its new sets of officers so the challenge is how to ensure alignment of the annual initiatives with the long term goals of BAIPHIL as embodied in its mission statement "advocating good governance and enhancing capability through continuing education, research and information exchange.

We, the current officers of BAIPHIL, believe that we will be in line with the long term goals by consistently practicing good stewardship. Being elected as officers of BAIPHIL is a great accountability, and we can only fulfill what is expected from us by being good stewards, the same way as what and how we do it in our respective banks, in our families and in our community."

BSP Governor Nestor A. Espenilla

“ The BSP is, and has always been committed to providing an enabling regulatory environment to allow innovations to flourish while guarding against risks attendant to technological changes. The BSP espouses a flexible “test-and-learn” approach to financial innovation. Others call this the “regulatory sandbox”. Essentially, we provide a testing ground for new business models to guide us in assessing potential risks. The ultimate objective is to be aware of the risks, to employ mitigating actions as needed, but also to allow room for market players to leverage on these new technologies. Guided by this approach, the BSP ensures that the intensity and content of supervision is calibrated according to the magnitude of risks identified in a new activity. We believe that this is the only way that we can allow innovation to happen.”





August 23, 2018

ALL YOU NEED TO KNOW ABOUT NRPS, PPMI, PESONET AND INSTAPAY



PPMI General Manager Carmelita R. Araneta

The National Retail Payment System (NRPS) is a policy and regulatory framework that aims to establish a safe, efficient, reliable and inter-operable retail payment in the Philippines.

The Philippine Payments Management Inc.(PPMI) is a stand-alone self governance structure run by payment industry participants duly recognized by the BSP as the Payment System Management Body (PSMB). It formulates, issues and enforces, in coordination with BSP, the NRPS governance framework.

PESONET ACH Steering Committee Chairperson John Ong

PESONET features – batch upload or multiple transactions sent in bulk; cheaper fees charged to sender, status update, no inward charges, same day crediting, and no limit on transaction amount.



BANCNET GM Aris Zafra

InstaPay is a new highway of electronic payments. The fastest way to send money in the Philippines anytime, anywhere. Real time, low value EFT credit push. Part of the NRPS of BSP that seeks to promote electronic payments.

September 27, 2018
CREATING VALUE IN INSTILLING EFFECTIVE GOVERNANCE
IN THE BUSINESS OF THE CONGLOMERATES

Center for Excellence in Governance Chairman Jesus P. Estanislao

Governance demands a focus on the long-term. While it is interested in quarterly financial results, still its focus is on realizing a great “vision” of what a bank should become in five to seven years (perhaps even ten years). The governance perspective is not fixated on today or tomorrow; rather, it is trained on a number of years up the road, when something really significant and game-changing should come upon the institution, say a bank.



October 26, 2018
BAP DIRECTIONS FOR 2019 AND BAIPHIL LINKAGES



BAP Managing Director Benjamin P. Castillo

The BAP has 8 Major Initiatives in 4 Clusters:

Data Exchange Utilities - Private Sector-led ID Registry, Industry Credit Bureau, Electronic Data Exchange for Bills Payments and Merchants

Cybersecurity - Cybersecurity Collaboration

Financial Inclusion - Agency Banking, SME Financing

Regulatory Dialogue - Cost of Compliance, Industry Structure

November 27, 2018
TAX REFORMS IMPACTING THE BANKING INDUSTRY

National Tax Research Center Executive Director Trinidad A. Rodriguez

The goal of the reform is to redesign financial sector taxation to be simpler, fairer, more efficient, and revenue neutral in the short-term.



BAIPHIL Goes to ASEAN Bankers Conference

By Jane Japor

Chairperson, Program and Attendance Committee



On November 7 and 8, 2018, I represented ANZ at the ASEAN Banking Council (ABC) Meeting hosted by the Brunei Association of Banks in The Empire Hotel and Country Club, Negara, Brunei Darussalam. Also in attendance were fellow BAIIPHIL members President Dom Gavino Jr. of ING, First Vice President Bles Andres of Bank of the Philippine Islands, Chief Adviser to the Board Irene Arroyo of the Philippine Deposit Insurance Corporation, and Former President Noel Barcena of Philippine Clearing House Corporation.

One of the highlights for me of this conference was the opportunity to interact with various officers and personalities from the ASEAN banking industry, including Deputy Secretary-General for ASEAN Economic Community Dr. Aladdin D. Rillo, a Filipino we can be truly proud of. His keynote speech emphasized that trade and financial integration are intertwined. He applauded the current efforts of and continued to encourage financial institutions to optimize financial technology to improve finance in the region based on big data analytics, and enhance private financing by developing financial instruments and innovative financing mechanisms. He also recommended for institutions to strengthen the corporate governance and risk management framework, and consistent risk profile of every bank. He is hopeful that we can achieve an integrated Asian banking industry by 2025 through strengthened commitments of the governments and financial institutions in market integration efforts, better regulatory framework, reinforced legal system, and prudent oversight on corporate governance. All of these, and more, Dr. Rillo presented to the attendees without the aid of notes or a teleprompter. When the opportunity presented itself, I raised the possibility of inviting him to one of future BAIIPHIL events, which he gladly agreed to!



Philippine delegates with Dr. Aladdin Rillo (middle) and Mr. Pete Raymond Delfin, Charge d' Affaire, Embassy of the Republic of the Philippines – Brunei Darussalam (6th from right).

Simultaneous meetings of the three ABC Committees were held at the event: Permanent Committee on Cooperation in Finance, Investment, Trade and Technology, Permanent Committee on ASEAN Inter-Regional Relations and Permanent Committee on Banking Education, where the Chairperson is Ms. Cecilia Borromeo – President and CEO of Development Bank of the Philippines.

In the ABC Permanent Committee on Education meeting, which I attended, a proposal was raised to have an online portal that can provide member banks access to the latest trends in banking – the practices, tools and techniques in achieving their corporate goals. This will include a section on banking education to facilitate the interchange of knowledge and updates in the respective countries of member banks regarding governmental policies, developments in digital banking, financial technology, and cybersecurity. We were also oriented on the different training platforms for bankers of other ASEAN countries such as the International Banking Program in Indonesia and Global Banking Standards on Ethics Education in Malaysia.

Ms. Irene Arroyo attended the ASEAN Inter-Regional Relations Committee meeting. She relayed the existence of a Memorandum of Understanding among banks in ASEAN countries to share knowledge, which includes an annual study tour in ASEAN bank jurisdictions. Later this year, the study tour will be in Thailand to learn about their banking technology.

It was truly a very informative experience, and an invaluable opportunity to connect with our ASEAN neighbors in the banking industry.



Merry Christmas at Maraming Salamat
Jazz-up Your Denims
So Happy Together!

It was time to relax, unwind and just go happy-cool with the BAI PHIL Family.

On December 6, at the Dusit Thani Glass Pavilion, ripped jeans, cutie jackets, layered look and a contagious “let your hair down feel” became the order of the night. The event punctuated the string of programs and activities feverishly implemented in the recent months, in support of the organization’s mission.

President Dom Gavino captured the spirit when he said, “This is more than just a holiday party. This is a well-deserved treat for all of us, as we continue to push for learning and development in the banking industry, year after year. Leading our advocacy is no walk in the park. But in times like this, when I see all of you bright and smiling, dressed to the nines and enjoying yourselves, I feel very refreshed. I am reminded that I am in good company, and that we’re all in this together, every step of the way. Thank you for being part of the journey.” He emphasized that the BAI PHIL Christmas Party is actually a family reunion as this is the time for all the friends, past movers, and officers of BAI PHIL to gather together and celebrate as one big happy family.





The dance floor reverberated with fun as everyone gamely showed their moves to the fast beat. The group also tuned into an instant home band s they sang their hearts out. “So happy together” so appropriately became the gathering’s anthem.

Former presidents Melit Araneta, Francis Puzon, Atty. Tony Viray, Lydia King, Ric Lirio, Belit Papa, Tess Galvadores, Agnes Brillante-Santos, Noel Barcena, Evelyn Vinluan, and Liza Ortiz, joined the Board and the rest of the BAI PHIL members and friends, in the merrymaking. Ms. Araneta also won the P5,000 grand raffle prize.



Later this year...



Upcoming Seminars

- Trade Finance Academy (Beginner)** – 24 January 2019
- Trade Finance Academy (Intermediate)** – 25 & 26 January 2019
- National Risk Assessment** – 29 January 2019
- IT Security in Banking Operations** – 29 & 30 January 2019
- Accounting for Non-Accountants with Financial Statements Analysis** – 7 & 8 February 2019
- Advanced Excel Training for Bankers** – 8 & 9 February 2019
- Third Party Risk Management** – 15 February 2019
- Establishing Internal Controls in Banks** – 16 February 2019
- Compliance with Operational Risk Management Guidelines** – 22 February 2019
- Project Management Fundamentals** – 1 March 2019
- Trade Finance Academy (Advanced)** – 1 & 2 March 2019
- Macros Training for Bankers** – 8 & 9 March 2019
- Establishing Internal Controls per BSP Cir. No. 871** – 9 March 2019
- Basics of Financial Math** – 22 March 2019
- Leadership Effectiveness and Advancement Program (LEAP): An Upgrading Program for Supervisors and First-Time Managers** – 22 & 23 March 2019
- Basics of Fixed Income Securities** – 23 March 2019
- Related Party Transactions** – 29 March 2019
- Bond Duration: Other Fixed Income Securities (Tier 2, LTNCD) & Preferred Shares** – 30 March 2019
- Know Your Money & Counterfeit Detection (Peso/US Dollar & Other Third Currencies)** – 30 March 2019