FINTECH INNOVATION & OPPORTUNITIES FOR COLLABORATION IN SINGAPORE

June 2017
How to ask Questions

1. Select questions function
2. Type your question here
3. Press ‘Send’
SPEAKERS

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MONETARY AUTHORITY OF SINGAPORE

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THE FINLAB

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OCBC BANK
Objectives

As part of the Comprehensive Strategic Partnership (CSP), this webinar aims to foster greater collaboration and partnership between Australia and Singapore under the digital economy stream.

Specifically, this webinar is designed to present Australian Fintech companies with the opportunity to forge links with selected Singapore Fintech stakeholders through their corporate innovation programs.

This session also aims to identify focus areas which present opportunities for co-creation, co-development and deeper capability development in the longer term.
Singapore's financial technology (Fintech) sector is poised for growth in 2017-18, to be boosted by its highly mature ICT market and supportive regulatory landscape.

Singapore Government has committed S$225 million over the next 5 years under the Financial Sector Technology and Innovation Scheme.

All three major Singapore banks (DBS Bank, OCBC Bank and UOB) are actively supporting and investing in Fintech.

In recent years, major foreign banks and financial institutions have also established innovation labs in Singapore to explore emerging technologies: Citi Innovation Lab, HSBC Singapore Innovation Lab, Standard Chartered Bank - eXellerator, Leonteq, MasterCard Lab, Visa Singapore Centre, and Allianz Asia Lab.

With a ready pool of investors in Fintech, Singapore has positioned itself as a Fintech hub to attract companies to view Singapore as the first step for their ventures in Asia.
Landing Pads – what’s in it for my startup?

1. A 90 day residency at an established coworking space with accelerator services
2. An Austrade Landing Pad Manager who will provide one-on-one business development assistance
3. Tap into the global startup ecosystem
FIVE LANDING PAD LOCATIONS

- San Francisco
- Tel Aviv
- Berlin
- Shanghai
- Singapore
What kind of startups should apply?

- Born global with disruptive technology
- Later stage startups who have seed funding
- Able to prove their traction, scalability & differentiation
Applications now open for San Francisco, Tel Aviv, Berlin, Singapore and Shanghai

Contact Austrade on 13 28 78 or email landingpads@austrade.gov.au

More information or to apply: australiaunlimited.com/landing-pads

Twitter @LandingPadsAU and Facebook www.facebook.com/AustralianLandingPads
ROY TEO
Director
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Monetary Authority of Singapore
SINGAPORE
A Vibrant FinTech Hub
Architecture for a Global Smart Financial Centre

Key Beneficiaries
- Corporates
- SMEs
- Individuals

Key Businesses
- Corporate Banking
- Insurance
- Financial Markets
- Retail & Private Banking

Public Sector Enablers
- Identity & Authentication
- Policy & Regulation
- Funding & Investment
- Skills & Research
- Innovation Acceleration

Key Technologies
- Advanced Sensors
- Blockchain & Distributed Ledger
- Cloud Computing
- Authentication & Biometrics
- Machine Learning
- Big Data
- Digital & Mobile Payments

Enabling Technologies
- APIs
- Cyber Security

Fintech Innovation & Opportunities for Collaboration in Singapore
Public Sector Enablers

- **Identity & Authentication**
- **Policy & Regulation**
- **Funding & Investment**
- **Skills & Research**
- **Innovation Acceleration**

- **E-KYC**
  - Streamline the customer onboarding process

- **Open API Architecture**
  - Avail a greater variety of financial services to the population

- **Advanced Risk Management Tools**
  - Leverage artificial intelligence/machine learning to assist in the real-time detection of malicious and suspicious patterns

- **Central Addressing System**
  - Transfer money seamlessly using proxy variables such as phone numbers
A Vibrant FinTech Ecosystem

Demand

- International Connectivity
- 9 FinTech MOUs
- Impactful Experiments
  - Project Ubin - interbank blockchain payments
  - SoCash - cash withdrawal platform
  - ACUO - collateral management platform
  - Ams - parametric-based catastrophe insurance
- ASEAN Partnership
  - UNCDF - Financial Inclusion
  - IPC-ABA AF1N - Regional sandbox
- Global R&D Hub
  - >30 R&D centres dedicated to financial services

Supply

- >300 active FinTech companies (excl. cross-sector startups and tech companies)

World-Class FinTech Hub

Ranked #1 by Thomson Reuters/FZ & Swift/UK Innovate Finance (2017)

Key Segments

- Blockchain: 13%
- Regtech: 2%
- InsurTech: 9%
- P2P Lending: 9%
- Cybersecurity: 2%
- Payment: 15%
- Wealth: 30%
- B2B Infra Tech: 16%
- Remittance: 4%

Source: WEF
Fintech Innovation & Opportunities for Collaboration in Singapore

Singapore FinTech Festival 2017

BRIGHTER
Academics, Scientists, Star Speakers

BETTER
Dynamic Venue, Compact Programming, Attendees Experience

BIGGER
More exhibitors, more conference content and choices
Festival Line Up

- Brighter: Hackcelerator Demo Day
- Better: Investor Summit
- Bigger: Networking events

- FinTech Awards
- FinTech Conference
- Industry Workshops
Global FinTech Hackcelerator

100 Problem Statements
3 Focus Areas

Customer-Facing solutions
Financial Inclusion
RegTech

There is a general category for problem statements which do not fall into the 3 areas listed.
FinTech Awards

Recognising implemented innovative FinTech solutions

Singapore Founder
Singapore SME
Singapore Open
ABS Global FinTech Award

A prize pool of S$1.15 M is up for grabs
Investor Summit – ‘Deal Day’

Showcase of investment-worthy, Singapore-based start-ups and disruptive technologies

- Keynote Presentations
- Start-up Demos
- Tech Exhibitions
- Exclusive Networking
See you in Singapore!
FELIX TAN
Managing Director
THE FINLAB
The Singapore Fintech Scene
The Different Roles

**EDUCATORS & STUDENTS**
- Failure is Acceptable
- No "Textbook" Answers
- Be Curious - ASK (Always Seek Knowledge)

**START-UPS**
- Continue to Push & Challenge Existing Norms and look for opportunities from these activities
- Understand Regulatory & Operating environments
- Fail Fast, Fail Early - Keep Refining / Pivoting till you get it Right

**GOVERNMENT**
- Sets Long-Term Vision / Strategies / Directions
- Allocates Budget
- Manages Macro-Economic & Geo-Political issues

**EXISTING BUSINESSES**
- Supply - Embrace Innovation & Create Idea Banks
- Demand - Consume Innovative Products & Services
- Fund - Help Deserving Start-ups Scale

**GOVT AGENCIES**
- Implement Strategy - each agency’s execution to “lock-step” with the others
- Create Condutive Regulatory & Operating Environment
- Provide Funding / Grants where needed

**CONSULTANCIES**
- Interface - Provide Best Practices & Help Project Manage for Businesses to consume Innovation from without
Evolution of Singapore’s Startup Ecosystem

1. **Generation 5**: Forming & unfolding…
2. **Corporate Accelerator**: Industry-specific programs, mentors who are domain experts
3. **Commercial Accelerator**: Structured programs with mentorship, funding
4. **Incubator**: High failure rate due to lack of mentors, funding, tech
5. **Bizplan Competition**: Most winners don’t startup
Singapore Fintech landscape 2017

- **Payments**: $40.6M
- **Blockchain / crypto**: $35.6M
- **Lending**: $4.8M
- **Investment / wealth mang**: $47.6M
- **Big Data / scoring**: $4.5M
- **Remittances / for SME**: $39.0M
- **mBanking / e-Wallets**: $40.6M
- **PFM / comparison**: $30.7M
- **Crowdfunding / Crowdlending**: $13.1M
- **Insurance**: $1M

**Total Fintech companies**: 120
**Funded in 2016 (#)**: 32
**Funded in 2016 ($M)**: $81.5M
**Total Funding '13 – '16**: $220.3M
**Largest segment**: Investments / wealth management
**Fintech deals in Asia ’16**: ~257
**APAC # of deals Share in Asia**: 22%
**APAC $ of deals Share in Asia**: 48%

Source: Fundnel
Who is The Finlab?

United Overseas Bank (UOB) is a leading bank in Asia with a global network of more than 500 offices in 19 countries. It is rated among the world’s top banks by Moody’s, Standard & Poor’s, and Fitch Ratings.

SGInnovate (SGI), is a government backed venture capital fund under the purview of the National Research Foundation of Singapore, connects aspiring entrepreneurs with support for business plan development, sources of funding, and go-to-market efforts.
Thank You

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ALTONA WIDJAJA
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OCBC BANK
Opening the Vault: Accelerating Innovation & transformation at OCBC

Austrade Fintech Webinar
06 June 17
The Open Vault at OCBC

[ the uh oh-puh n vawlt ] noun

1. An area traditionally operating in utmost secrecy and in very traditional, safe & close fashioned manner - now welcoming prying eyes, warming up to ideas from outside, housing ‘rebels’ from the bank, experimenting and collaborating in an open manner
BANKS’ NATURAL ADVANTAGE

TRUST
Institutional trust in safety of organisation & industry and regulatory environment and relationship trust in its people and human interactions; beyond just transactional trust

END-TO-END CAPABILITIES
Comprehensive capabilities across the value chain, including ability to perform complex transactions

DEEP CUSTOMER RELATIONSHIPS
Complete relationship with a wide base of customers that extends beyond simple transactions

WHERE WE CAN IMPROVE

AGILITY

LEGACY MINDSET

EXPERIMENTATION & RISK TAKING
Finding tangible Fintech opportunities while enabling an innovation culture

Business Fintech Engagement

Fintech Acceleration & Management

Innovation Culture & Processes
Fintech Innovation & Opportunities for Collaboration in Singapore

Problem & opportunity driven focus

Fintech opportunities and threats workshops & problem statement curation

- Consumer Banking
- Treasury and Investment Banking
- Operations & Technology
- Insurance

Future Perspective
- Social
- Technology
- Economy
- Human Capital

Scouting for relevant Fintech Solutions
- Start-up engagement
- Accelerators/Incubators
- Ecosystem partners
- Venture Capitalists
- Scouts/Consultants
Key Business Themes

- Democratizing Wealth Access
- AML/KYC
- Loyalty & Personalization
- Financial Inclusion
- Wealth Management
- RegTech
- Health/Insurance
- Distribution
- Underwriting
- Personalised & Contextual advisory
- Eco-system play
- Credit/Loan
- Security
- Enhanced Scoring & collection
- Biometrics / Authentication

Technology:
- Cloud
- Analytics
- API
- Blockchain
Commercial partner of choice for start-ups

1. Proof of concept platform to:
   - Validate business proposition hypothesis
   - Rapid prototyping
   - Safe environment to fail fast
   - Fast-tracking of pilots

2. Data Sandbox
   - Non-identifiable customer data
   - Customer behaviour/patterns

3. OCBC API store pilot
   First south east asian bank to launch an open API platform
   https://api.ocbc.com/
   Risk management
   Easier integration
“Smart Experimentation” to test new ideas

**On going initiatives**
- Wearable data based Wellness advisory
- DLT platform to handle KYC data
- DLT platform to handle Payment and Trade Finance
- Audit based on AI pattern recognition
- Mining external data for micro segmentation

**Pilot / Commercialisation**
- Customer – merchant loyalty platform
- Customer Due Dilligence Graph analytics
- Next best action marketing
- Robotics Process Automation
- Machine learning for Operational risk management
- Machine learning for Operational risk management
- Mortgage bot
- Self directed Portfolios
- Bionic Wealth Advisory
- Unsupervised learning on AML patterns
- AI based insights based on your spend and save patterns
- AI Based Know Your Customer (KYC)
OCBC Emma – AI powered chatbot

1st AI powered home & renovation loan specialist
convenient, fast and accurate “always-on”

34,000 queries
$22m loans approved
The Open Vault Fintech Accelerator
Problem based accelerator focused on co-innovation & commercialisation

4 Problem Statements
195 Relevant startups identified
92 Applications received
7 Global startups selected
12 Weeks of Co-innovation
How we co-innovate?

The process of co-designing and co-developing meaningful solutions that customers desire with our trusted startups.

**Business Need Definition:**
- Engaged the BUs early to understand the context of their pain points
- Validated and redefined the problem statements through customer interviews and research workshops

**Start-up Selection and Vetting:**
- Developed start-up selection and assessment framework
- Scouted for relevant start-up solutions via research, interviews and live pitches
- Business units selected the top start-ups to co-innovate with

**12 Weeks Acceleration:**
- During the 12 weeks, Start-ups will co-innovate and co-develop PoC / Projects together with the Business unit
- Includes project scoping, KPI setting, data requirements, risk management, UAT etc - with the ultimate goal of commercialization

**Completion-Demo Day:**
- Start-ups will present their co-developed solution and pitch to the senior management and members of Fintech community
- The intention is to aspire the internal community to conduct more experimentation with startups
Launched products with our 2016 batch:

- **COGNICOR**: Cognitive Virtual assistance
- **FINCAST**: Goal Based advisory & Advanced Portfolio analytics
- **bondIT**: An algo-advisory solution for fixed income portfolio investment advisory
- **QUANTIFEED**: Thematic equity investing
- **ChromaWay**: A smart Blockchain technology platform enabling digital asset transfers and smart contracts
- **coins.ph**: A blockchain based mobile banking platform that
- **ONELYST**: An online marketplace for loans – including money lenders
- **WealthObjects**: Automated investing, financial planning, and engagement modules for financial institutions.
### Current 2017 batch

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<tr>
<th>Corporate Banking</th>
<th>Insurance</th>
<th>Lifestyle</th>
<th>Compliance</th>
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<td><strong>9SPOKES</strong></td>
<td><strong>Bn</strong></td>
<td><strong>perx</strong></td>
<td><strong>BlackSwan Technologies</strong></td>
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<td>Enables SMEs to understand how their business is performing by integrating a suite of recommended productivity and performance apps to a smart dashboard and benchmarks them against peers in the same industry vertical.</td>
<td>Uses data from wearables, sensors and mobiles to provide personalised fitness and wellbeing coaching, challenges, insights and rewards to help members live a healthier, happier and more productive life.</td>
<td>Enables businesses to acquire, engage and reward their customers intelligently and contextually via real-time, predictive insights. Through their modular platform, businesses can acquire, engage and reward customers.</td>
<td>Enables organisations to access more data, make better use of data, create new business models, enhance communications with organisations’ customers and potential customers, detect wrongdoing and manage risk while generating value through the exposure of new revenue sources, trends,</td>
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<td><strong>Strands</strong></td>
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<td><strong>Sqreem</strong></td>
<td><strong>Silent Eight SEARCH</strong></td>
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<td>Offers a digital money management software for businesses to track, manage and analyse their financials.</td>
<td></td>
<td>Offers consumer &amp; customer insights that leverage the world’s largest behavioural database together with next-generation data analysis techniques. These tools uncover deep relationships, explicit and implicit, between people, their behaviours, and brands.</td>
<td>Machine-learning enabled investigative tool that analyses each transaction based on multiple sources of data to determine the key risk factors, and offers a recommendation to support the TM analysts.</td>
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Thank you!

Scan to connect

www.theopenvaultatocbc.com
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