

Sunil Mendis: A brief look at financial information technology

Keynote address by Mr Sunil Mendis, Governor of the Central Bank of Sri Lanka, for the Financial Information Systems Seminar, Colombo, 8 September 2004.

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His Excellency Akio Suda, the Ambassador for Japan in Sri Lanka, Mr Yoshihisa Onishi, Executive Director, FISC, other officers from the FISC in Japan, Ladies and Gentlemen,

The Central Bank of Sri Lanka is happy to co-sponsor this programme together with the FISC of Japan (Center for Financial Industry Information Systems), in view of the importance of financial information technology in the financial services industry. Sri Lanka is no exception to continuous changes in the technology used by its financial services industry. In a market driven financial system, for information to be effective, there should be two vital ingredients, that is system integrity and timeliness - both of which are crucial. The more dependable your information systems are, the more efficient and competitive banks can be as a player in the financial services industry. That is why we see banks investing heavily in IT.

Globally too, with the interdependence of markets their integration is facilitated through information systems which link these markets which make the world a very small place indeed on a PC monitor - where the whole world is virtually at your doorstep.

The FISC, therefore, has contributed significantly, over the last 20 years, to making information systems more efficient and dependable through their research activities and technical co-operation programmes which have been extended to Asian countries such as Sri Lanka. Of particular interest to banks would be the security guidelines on computer systems and audit guidelines for information systems of financial institutions, which they have issued. Some of these can be used as guidelines by our banking industry.

Government and the people of Japan have contributed immensely to the development of this country for many decades in the past in different fields and their support in sharing their knowledge on financial information system with the Sri Lankan financial sector is greatly appreciated. In this connection I wish to thank the FISC who has devoted so much of its time and effort to bring in expertise in this area to market participants in Sri Lanka's financial system. This would also provide a good forum for our banks to exchange ideas on specific security features adopted by the FISC.

I have no doubt that this Seminar will provide an excellent opportunity for useful interaction amongst participants, and I would like to convey my best wishes.