

Encik Abu Hassan Alshari Yahaya: Towards a more inclusive financial system

Speech by Mr Encik Abu Hassan Alshari Yahaya, Assistant Governor of the Central Bank of Malaysia (Bank Negara Malaysia), at the OKU Awareness Programm “Towards a More Inclusive Financial System”, Kuala Lumpur, 26 May 2015.

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Bridging the understanding on the needs of OKUs and preparing for the changing landscape due to higher expectation and enhanced legislation

As the Malaysian financial sector matures and with the long term vision for an inclusive financial system, today’s program with the objective of enhancing awareness and understanding of the rights and requirements of the community of the OKU and how the financial industry could serve them better, would mark the beginning of this important journey at industry wide level.

As mentioned by Yang Berhormat Senator Puan Bathmavathi earlier, currently there are about 338,000 registered OKU in Malaysia or 1.1% of Malaysia’s total population. While the official data may be small, the actual number of Malaysians with disabilities is deemed to be more than what is reported. In addition, this number will increase as more Malaysians may fall into this category with the ageing process, becoming casualties of accidents and those suffering from chronic diseases. As the Government has initiated various efforts to integrate people with disabilities into all aspects of life, the financial industry should also continue to play a more pro-active role in providing an enabling environment to ensure that their fundamental rights to have access to the banking and insurance products and services are actively promoted.

Taking into account the Persons with Disabilities Act 2008, the financial industry are expected to give appropriate consideration and take necessary measures to ensure services and facilities are accessible by all in the OKU community. Clearly, these obligations signify our accountability and responsibility towards providing the necessary access for members of the OKU community and not to deny their rights to be included in our financial system.

Moving forward, under the RMK11 recently announced, the Uniform Building By-Laws, 1984 is going to be strengthened with greater mandate to include the enforcement power of the authorities. With this possible enhancement to the legislation, the financial industry need to be ready to face this changing landscape whereby there is a possibility that action could be taken against those service providers that fail to provide the enabling environment to the OKUs.

Against these backdrop of higher expectation from the OKU, stronger legislation and our aspiration of more inclusive financial system, today’s program provides a platform for us to further understand the needs of the disabled, to be more preemptive and anticipatory in our approach and to collaboratively work towards ensuring that the financial industry of Malaysia becomes completely disabled-friendly and truly inclusive.

Bank Negara as service provider has started OKU friendly environment

On that note, I would like to share that Bank Negara Malaysia, in our modest ways, has taken some efforts towards being more disabled friendly. Our new premises at Lanai and Sasana Kijang and newly renovated Regional Offices, are OKU friendly with ramp passages at major entrances, lifts equipped with braille buttons, OKU toilets at all floors, OKU designated parking lots and wheelchairs made available when requested.

Our Bank Negara Malaysia's Museum and Art Galley (MAG) provides special services to the OKU. We have four front liners who are trained in basic sign language. By 2016, the numismatic gallery will have a "Touch and Feel" corner, with special exhibits to cater for the visually impaired.

In 2014, we have started our series of financial awareness programme to the OKUs, starting with trainees and staff of Pusat Latihan Gurney, Malaysian Association of the Blind in Brickfields. This year, we plan to conduct more of such programmes.

Having said that, for Bank Negara Malaysia, we acknowledge that there are still a lot more that need to be done and we will continue to intensify our efforts in striving to provide a user friendly and barrier-free environment to increase accessibility to our services and products.

Financial industry as service providers, has started in the journey, however more efforts are needed

Likewise, the journey to become disabled-friendly has been initiated by the financial industry whereby some of the premises of the financial institutions are equipped with the necessary infrastructure to comply with building by-laws such as providing appropriate ramps, designated OKU parking lots, OKU friendly elevators and so on. The banks also provided special care service counters and priority queue for their OKU customers.

Maybank and Allianz are more forthcoming in the OKU agenda

We also noted that a few financial institutions are ahead of the rest. Normally, we will not mention the name of specific institution but in this case, we would like to make an exception with the intention to motivate others. I would like to share the initiatives that have been taken by Maybank. Every year Maybank allocates a budget for certain number of branches to be designated as OKU friendly with proper ramps, auto doors, and ATMs with bigger space and lower height to cater for wheelchair-bound customers and designated counter for OKU customers. To date Maybank has 49 branches designated as OKU friendly. Maybank has also launched a programme called RISE (Reach Independence and Sustainable Entrepreneurship) providing guidance to the OKUs to expand business opportunities through structured mentoring programme and providing loan to grow business. As a result, the bank has assisted 280 OKUs to start their own businesses.

From the insurance industry, Allianz Malaysia Bhd. has organized a 5-day workshop to understand the needs of the OKU and identify actions that can be taken to help improve accessibility to financial services. Arising from the workshop, Allianz has formed a special working group to look at the services and facilities for the disabled and will launch three products specifically for the OKU soon.

I am confident that more programmes have been initiated by other financial institutions which I do not have the opportunity to mention all of them here. I would like to urge all financial institutions to take greater effort towards these initiatives.

Issues and challenges faced by OKUs that need to be addressed

Later in this program, as we learn more on the issues and challenges faced by the OKUs in their daily life, especially with regards to their difficulty on accessing the financial product and services, we will appreciate better the challenges that this group has to go through. Let us pause for a while and take this opportunity to reflect on what each of our institution has done to assist and include the OKU into the financial system.

One issue resolved to ensure greater accessibility to ATM cards/debit/internet banking

Based on the feedback that we gathered from our engagements with the OKUs, the most recent in April 2015, there are still a lot of challenges faced by the OKUs in accessing the products and services of the financial industry. However, to date, I am pleased to note that one issue has been resolved with regard to the plight of the visually impaired that they were sometimes denied access to own ATM cards and internet banking. The Association of Banks in Malaysia (ABM) together with its council members have worked with the NCBM (National Council of the Blind) and as a result have now reached a solution that enables access to such services by the visually impaired individuals. This is indeed a positive step to move forward.

However, there are other immediate needs that have not been addressed. For the banking industry, examples of such needs are:

- lower bank counters for wheelchair-bound customers
- “Talking ATMs” for the visually impaired
- availability of sign language interpreters for the deaf
- the need for OKU-friendly bank website to enhance their accessibility to e-banking services, which would augur well with the initiative by Bank Negara Malaysia to promote the usage of e-banking. Banks are encouraged to provide websites which are W3C compliance. The World Wide Web Consortium (W3C) is an international body that provides standards to enhance the web accessibility, enabling people with disabilities to participate equally on the Web, such as providing alternative text for images to allow accessibility by the visually impaired, providing text transcript to allow audio information accessible to the hearing impaired, and many other services.

For the insurance industry, more needs to be done to provide products that cater for the OKUs’ needs and to address the issue of high loading of insurance premium imposed by the insurers.

Another area for consideration – employment opportunities for OKUs

On another aspect, the Government has issued a service circular to implement a 1% policy on employment opportunities for OKUs in the public sector as well as provided incentive by giving double tax relief for employers of OKU. It is encouraging to note that several financial institutions have provided opportunities for the OKUs to be employed in the financial industry and recognized that they have the necessary capabilities to contribute to the financial industry. Nevertheless, more needs to be done and I hope financial institutions will provide the opportunity for more OKUs to be employed in the financial industry.

Global trend-benchmarking with financial sector in other countries showed that they are more advanced

On the global front, looking at the trends and initiatives by other countries, especially the developed countries, we observe that the industry associations are very proactive and undertake a leading role in ensuring the OKUs’ rights are met. For example, the Australian Bankers’ Association issued Guiding Principles for Accessible Authentication to provide guidance to financial institutions to adopt stronger authentication technologies to facilitate the access of people with disabilities.

Strong human rights legislation that changed the banking system

I would also like to share a landmark case in Canada in 1991 where two blind customers were frustrated with their bank when they could not access information about their mortgage

and the bank's other services. Since they were both blind, they could not read banking information that was only available in printed brochures. They filed a complaint under the Canadian Human Rights Act. The case inspired Canada's banking system to make important changes such as offering brochures in Braille and offering Talking ATMs. Canada became the first country to offer "Talking ATMs" in 1997.

Talking ATMs have been around in other countries for almost 20 years, easily available in countries like the UK, US, Australia, Japan and Canada. Countries like the Philippines, India and Turkey have also introduced Talking ATMs. In the United States, The ADA (Americans with Disabilities Act) requires that ATMs be equipped with innovative technology to enable the visually impaired customers to use the machines without assistance. In India, it is a requirement for its banking industry that all ATMs installed from 1 July 2014 should be Talking ATMs with Braille keypads.

For the hearing impaired, Barclays Bank in the UK provides hearing induction loop fitted at the counters which act as transmitters for hearing aids users. Professional sign language interpreter are available by camera to facilitate video communication.

Strong legislation to back up the requirement to provide insurance products

As for the development in the insurance industry, life insurers in Australia are permitted under the Disability Discrimination Act to offer applicants for insurance different terms based on the risk they present, provided they are basing this discrimination on actuarial data or statistics. It is unlawful under the Disability Discrimination Act for insurers to deny applications for insurance without having reasonable and relevant information and data to support their decision. In Malaysia, we often received complaints from the OKU community that their applications were imposed with high premium loading as the OKUs are considered high risk. Therefore, we urge for the insurance industry here, to base their decisions on statistical evidence and not purely on assumptions.

In light of these global trends, going forward, being a vibrant and progressive financial industry, we must always be at the forefront, embrace new innovation and adopt best practices in serving the needs of all segments of society including the OKUs.

Expectations moving forward:

Role of industry's association – to drive industry towards OKU inclusive

Moving forward, each party has to play its role in promoting and contributing towards this important agenda. Given the need to address the issues faced by the OKU community in gaining access to financial services in this country, the associations should drive the industry in enhancing the role of the financial sector towards this endeavor. The industry needs to develop and implement an action plan to increase access of the OKUs to the financial products and services.

Role of individual institutions – to ensure enabling environment for OKUs

For a start, individual financial institution is encouraged to address immediate needs mentioned earlier that was highlighted by the OKUs such as providing lower counter, Talking ATMs, sign language for the deaf, website which is W3C compliance and offer appropriate insurance products for the OKUs.

In providing the accessibility to the OKU community, the industry players need to ensure that the services and products are relevant, sustainable and affordable in meeting the needs of the OKUs, associated risks are mitigated and the OKU consumers are protected.

Role of Bank Negara Malaysia – to consolidate effort and move forward together

As mentioned earlier, it has always been high on Bank Negara Malaysia's financial inclusion agenda that all facets of the Malaysian society are served by the financial industry. As such, I would like to call upon all of us here, let us embrace this journey together towards a more caring and responsible industry by ensuring the needs of the OKUs are provided for.

Launching of “Cash Test” for the visually impaired

As part of Bank Negara Malaysia's continuous initiative to support the needs of OKU community, the Bank has introduced a device known as Ringgit Cash Test Cards, a credit card-sized plastic card with gauges designed to assist the visually impaired in identifying banknotes and coins. They contain Braille markings as well as tactile symbols to denote each denomination.

In 2000, Bank Negara Malaysia presented 13,000 units of Ringgit cash test cards to the visually impaired which measured third series banknotes of all denominations. This year, the Bank will distribute 20,000 units of Ringgit cash test cards to the visually impaired.

The Bank has made several improvements to the new cash test card design including to measure the fourth series banknotes and a coin channel to measure third series coins after obtaining feedback from the National Council for the Blind, the Malaysian Association for the Blind and Kementerian Pembangunan Wanita, Keluarga dan Masyarakat.

In conjunction with this program, I would like to take this opportunity to launch the new cash test card.