

## **ACMF PRESS RELEASE**

### **ASEAN REGULATORS IMPLEMENT CROSS BORDER SECURITIES OFFERING STANDARDS**

1 April 2013... The ASEAN Capital Markets Forum (ACMF)<sup>1</sup> announced today that the securities regulators in Malaysia, Singapore and Thailand have implemented the ASEAN Disclosure Standards Scheme (Scheme) for multi-jurisdiction offerings of equity and plain debt securities<sup>2</sup> in ASEAN.

The Scheme aims to facilitate fund raising activities as well as to enhance the investment opportunities within ASEAN capital markets. Issuers offering equity and plain debt securities in multiple jurisdictions within ASEAN will only need to comply with one single set of disclosure standards for prospectuses, known as the ASEAN Disclosure Standards, bringing about greater efficiency and cost savings to issuers.

The Scheme operates on an opt-in basis and ASEAN members will adopt the Scheme as and when they are ready to do so. Malaysia, Singapore and Thailand are the first three ASEAN jurisdictions to implement the Scheme.

The Scheme replaces the ASEAN and Plus Standards Scheme that was announced on 12 June 2009 and is one of the capital market initiatives undertaken by the ACMF as part of the regional capital market integration plan endorsed by the ASEAN Finance Ministers in April 2009 in Pattaya, Thailand.

Mr. Lee Chuan Teck, Chairman of the ACMF and Assistant Managing Director of the Monetary Authority of Singapore, said "The implementation of the Scheme is another significant achievement in the ACMF's continuing efforts to foster ASEAN capital market integration. With the Scheme in place, issuers will only need to prepare one set of prospectus for a multi-jurisdiction offering in the region. The ACMF hopes that this will encourage more companies to offer securities across ASEAN and help promote ASEAN as integrated capital market for fund-raising."

"The initiative represents a significant milestone towards creating a more efficient environment for access to capital across the region, and is a key initiative by ASEAN capital market regulators to promote greater cross-border investment flows and grow the region's capital markets. The fully harmonised disclosure standards will allow issuers more seamless access to financing opportunities within the region while facilitating investors' decision making in multi-jurisdiction offerings," said Ranjit Ajit Singh, Chairman of the Securities Commission Malaysia.

"I am proud of this achievement. The arrival of the fully harmonized set of disclosure standards simply proved that ACMF is determined to make fund raising process

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<sup>1</sup> The ASEAN Capital Markets Forum (ACMF) was established under the auspices of the ASEAN Finance Ministers in 2004 to serve as a forum for the heads of securities regulators in the ASEAN region to discuss policy issues relating to capital market development.

<sup>2</sup> The Scheme will apply to offers of shares and plain debt securities as defined in the ASEAN Disclosure Standards.

most efficient for companies looking to expand their businesses. It creates more opportunity for ASEAN to channel our savings to promote growth of our own region. I hope that, in the near future, more ASEAN securities regulators will join Malaysia, Singapore and Thailand in adopting the ASEAN Disclosure Standards, yet enlarging the impact of this Scheme.” said Mr Vorapol Socratyanurak, Secretary-General, the Securities and Exchange Commission, Thailand.

Further information on the Scheme is available in Appendix I. Details on the implementation of the Scheme can be found on the websites of the Securities Commission Malaysia ([www.sc.com.my](http://www.sc.com.my)), the Monetary Authority of Singapore ([www.mas.gov.sg](http://www.mas.gov.sg)) and the Securities and Exchange Commission, Thailand ([www.sec.or.th](http://www.sec.or.th)).

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## FREQUENTLY ASKED QUESTIONS

### ASEAN Disclosure Standards Scheme

#### 1. What is the ASEAN Disclosure Standards Scheme?

The ASEAN Disclosure Standards Scheme (Scheme) is one of the capital market initiatives undertaken by the ASEAN Capital Markets Forum (ACMF)<sup>3</sup> under its regional capital market integration plan (Implementation Plan) endorsed by the ASEAN Finance Ministers in April 2009 in Pattaya, Thailand. The Implementation Plan was developed to promote the development of an integrated market to achieve the goals of the ASEAN Economic Community (AEC) Blueprint<sup>4</sup> 2015 to form an integrated ASEAN market by 2015. The Scheme aims to facilitate cross-border offerings of securities within the ASEAN region by harmonising disclosure requirements.

The Scheme introduces the ASEAN Disclosure Standards, which is a set of common standards governing disclosures for equity and plain debt<sup>5</sup> offerings and are based on standards on cross-border offerings set by the International Organization of Securities Commissions (IOSCO).

Further details of the Scheme are available on the ACMF website at [www.theacmf.org](http://www.theacmf.org).

#### 2. What is the purpose of having the ASEAN Disclosure Standards Scheme?

The Scheme will benefit ASEAN and non-ASEAN issuers who make multi-jurisdiction offerings of equity and plain debt securities within ASEAN by increasing efficiency and reducing costs. Under the Scheme, when an issuer wishes to make a multi-jurisdiction offer of securities, the issuer needs to provide only a single set of disclosure documents that comply with the ASEAN Disclosure Standards to investors in each jurisdiction.

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<sup>3</sup> The ASEAN Capital Markets Forum (ACMF) was established under the auspices of the ASEAN Finance Ministers in 2004 to serve as a forum for the heads of securities regulators in the ASEAN region to discuss policy issues relating to capital market development.

<sup>4</sup> The AEC Blueprint 2015 is an agreement signed by the ASEAN Ministers at the 12th ASEAN Summit in January 2007 to transform ASEAN into a region with free movement of goods, services, investment, skilled labour, and freer flow of capital by 2015.

<sup>5</sup> The Scheme will apply to offers of shares and plain debt securities as defined under the ASEAN Disclosure Standards only. It will not apply to:

- (i) Options, warrants or any other rights or interests in shares or debt securities; or
- (ii) Debt securities that are not plain debt securities.

### **3. What is the difference between the ASEAN Disclosure Standards Scheme and the ASEAN and Plus Standards Scheme?**

The ASEAN Disclosure Standards Scheme replaces the ASEAN and Plus Standards Scheme that was announced on 12 June 2009. Under the ASEAN and Plus Standards Scheme, issuers preparing prospectuses for use in a multi-jurisdiction offer were required to comply with a set of common disclosure standards plus additional requirements, known as the Plus Standards, prescribed by the respective jurisdictions.

The ASEAN Disclosure Standards Scheme comprises a single set of fully-harmonized disclosure standards to be adopted by all ASEAN members. It will allow issuers to comply with one single set of disclosure standards without any additional Plus Standards prescribed by the respective jurisdictions.

### **4. Have all member countries of ASEAN implemented the ASEAN Disclosure Standards Scheme?**

The timeframe for the implementation of the Scheme depends on the readiness of each ASEAN member on an opt-in basis. As at 1 April 2013, Malaysia, Singapore and Thailand have announced the implementation of the Scheme under their respective jurisdictions.

### **5. I would like to undertake a cross-border offering of securities in two jurisdictions that have implemented the ASEAN Disclosure Standards Scheme. Is it sufficient that my prospectus comply with the disclosure requirements of the ASEAN Disclosure Standards?**

The issuer will need to comply with the ASEAN Disclosure Standards, which will be the same set of rules applicable in jurisdictions who adopted the Scheme (at present Malaysia, Singapore and Thailand), and the respective prospectus registration procedures of these jurisdictions.

The issuance of securities may however be subject to other requirements applicable in each jurisdiction. In this regard, the issuer would need to refer to the regulations and guidelines from the respective jurisdictions concerned.

### **6. What is the recourse available to investors in the event that a cross-border offering of securities under the ASEAN Disclosure Standards Scheme has breached the law?**

Investors in each jurisdiction will have recourse to the remedies provided under their jurisdiction's laws against the issuer in the event of a breach. An issuer will still have to comply with the laws of each of the jurisdiction where the offering is made. Similarly, regulators in each jurisdiction would be able to take enforcement action against the issuer in accordance with their respective laws.