

Media Release

Jakarta, 9 September 2016

ASEAN Capital Market Regulators Intensify Efforts to Promote ASEAN Asset Classes

The ASEAN Capital Markets Forum (ACMF) held its 25th meeting in Jakarta, hosted by the Indonesia Financial Services Authority (Otoritas Jasa Keuangan). At that meeting, members of the ACMF agreed to intensify efforts to promote ASEAN asset classes. The ACMF therefore views the MSCI's initiative to develop dedicated ASEAN indexes to generate greater visibility for ASEAN asset classes as timely in supporting the ACMF's agenda.

The ACMF also agreed to introduce an annual ASEAN Capital Market Conference as a platform to discuss opportunities in ASEAN capital markets, and to showcase ASEAN asset classes. Towards this end, the ACMF will work with its dialogue partners and key industry participants to launch the inaugural conference in the first half of 2017.

During the meeting, the members of ACMF were pleased to note the progress of implementation of the ACMF Action Plan 2016-2020 that will support the objectives of the ASEAN Economic Community. A key initiative in the Action Plan is to foster greater mobility of professionals within the region. In response to the strong positive feedback received from market participants, the ACMF approved the establishment of a working group on professional mobility to introduce rules to facilitate cross-border movement of capital market professionals on a phased basis.

Given the ACMF's continued emphasis on capacity building, the meeting endorsed the Capacity Building Plan developed jointly by the ACMF and the Asian Development Bank (ADB). As a start, a regulatory programme on developing domestic bond markets tailored specifically for members from Cambodia, Lao PDR, Myanmar and Vietnam (CLMV members), will be rolled out in September and hosted by the Securities and Exchange Commission (SEC) Cambodia. The ACMF also commended the commencement of the ASEAN Young Regulators Programme launched earlier this year with the secondment of young regulators from SEC Cambodia to the Securities Commission Malaysia.

The ACMF acknowledged the progress of the holistic review of the ASEAN Corporate Governance Scorecard and assessment methodology which is being spearheaded by

SEC Philippines. In addition, the meeting reiterated the importance of corporate governance as a key component of the ACMF's efforts in promoting the investability of ASEAN public-listed companies.

To date, 14 funds have been recognised as ASEAN Collective Investment Schemes (CIS) under the ASEAN CIS Framework, with five funds having been successfully offered. The meeting noted the on-going work led by SEC Thailand to further enhance the framework by expanding the number of signatories, harmonising disclosure standards, as well as relaxing investment restrictions.

Ranjit Ajit Singh, Chair of the ACMF, said "Discussions with international dialogue partners and industry participants have shown that there is now a confluence of opportunities to promote investment in ASEAN asset classes through the establishment of ASEAN-specific indexes, and creation of an extensive range of investable ASEAN capital market products. It is imperative that major ASEAN investors lead the way by creating mandates for investing in ASEAN asset classes."

Recognising the importance of green finance in supporting sustainable growth in ASEAN and the increasing amount of global capital seeking green investments, the ACMF will take a leadership role in identifying green finance standards that can be applied for the region.

The ACMF also re-elected the Securities Commission Malaysia, as its Chair.

SECURITIES COMMISSION MALAYSIA

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Background information:

The Securities Commission Malaysia (SC), a statutory body reporting to the Minister of Finance, was established under the Securities Commission Act 1993. It is the sole regulatory agency for the regulation and development of capital markets. The SC has direct responsibility for supervising and monitoring the activities of market institutions, including the exchanges and clearing houses, and regulating all persons licensed under the Capital Markets and Services Act 2007. More information about the SC is available on its website at www.sc.com.my. Follow SC on twitter at @SecComMy for more updates.

Note to Editors:

The ACMF is a grouping of the region's capital market regulators comprising all 10 ASEAN member countries namely Brunei, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam, and is chaired by Ranjit Ajit Singh, Chairman of the Securities Commission Malaysia.

The ASEAN Economic Community (AEC) was established in 2015 and is a major milestone in the regional economic integration agenda in ASEAN which has a combined population of over 622 million people. In 2014, the AEC was collectively the third largest economy in Asia and the seventh largest in the world.

More information on the ACMF and its initiatives can be found at the ACMF website www.theacmf.org.