

**Asia Pacific Financial Services
Regulatory Update**

Q2 2022

July 2022

CENTRE for
**REGULATORY
STRATEGY**
ASIA PACIFIC

Introduction

Dear clients and colleagues,

The Deloitte Asia Pacific Centre for Regulatory Strategy is pleased to share with you the key regulatory updates from our region for Q2 2022.

Resilience in a time of ongoing uncertainty: The first six months of 2022 has been extraordinarily challenging, and the impacts of ongoing disruption from the COVID-19 pandemic, geopolitical conflicts, supply chain issues, and inflation continue to be felt throughout the region. However, our regulators and the industries they supervise continue to adjust rapidly to these changing events, whilst maintaining a focus on ensuring financial stability across the region. There has also been the adoption of a long-term view on key developments that may impact the regulatory landscape in the Asia Pacific (AP) region, such as climate change and sustainability, the rise of RegTech and digital assets, and resilience.

Despite the sharp deterioration in market outlooks and an uncertain recovery pathway and timeframe, the focus on conduct and culture remains across the AP region. Over the last quarter, several AP regulators released new or revised guidelines relating to consumer and public protection for consumers of financial services (FS) and digital assets – highlighting the important role of conduct and culture in strengthening trust and resilience in the FS industry.

Focus on uplifting climate related disclosures and transitioning to a more sustainable, resilient and green economy: As the region grapples with turbulence in energy markets and the growing impact and increasing frequency of natural disasters, regulators across the AP region continue to focus their efforts on the transition to a more sustainable, resilient and green economy. Regulators are largely looking to facilitate this transition through the development and implementation of regulation and guidance, and uplifts to climate related disclosures.

Over the last quarter, New Zealand introduced new legislation, requiring certain financial institutions to make climate related disclosures from financial years commencing in 2023, in alignment with recommendations from the *Task Force on Climate-Related Disclosures* (TCFD). In addition, regulators in China Mainland and Malaysia published guidance to support financial institutions with the implementation of climate-related disclosures, joining regulators in jurisdictions such as Australia and Singapore in publishing guidelines to support better practice in relation to climate disclosures.

There is no doubt transitioning to a more sustainable, resilient and green economy remains at the top of the agenda for many across the region, with a number of jurisdictions such as Singapore, Japan, China Mainland, and the Philippines releasing information papers and guidelines on what 'good practice' looks like in relation to climate risk management, and embedding sustainability considerations for financial institutions across the banking and insurance sectors.

The evolution and growth of the digital wave continues: Technology continues to have an increasing impact on the AP region in terms of how regulators will look to address and adopt rapidly growing digital assets. AP regulators have been, and continue to, pay close attention to the potential risks Decentralised Finance (DeFI) and digital assets (such as crypto assets and stablecoins) may pose, whilst also appreciating the potential of these assets to transform the operation of not only financial markets, but also how consumers engage with the FS industry.

Over the last quarter, regulators in Australia, Thailand and South Korea published several letters to industry outlining their perspectives on the risks digital assets may pose, and expectations for financial institutions when engaging with consumers and activities associated with digital assets. In addition, regulators across the region have been assessing how these technologies can be used in financial services, with both Hong Kong SAR and Japan releasing the results of recent studies on the development and usage of central bank digital currencies.

In a separate capacity, regulators are also looking to parallel the industry's digital innovation through the adoption of increasing prevalent variations of 'RegTech'. The various challenges of ensuring regulation in its current state is ready to transition remains. However, the anticipated benefits of automation and enhancements to burdensome regulatory activities encourage the continued exploration of RegTech.

For queries or more information on these updates or other regulatory topics, please get in touch.

Best regards,

The ACRS Co-leads

Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts

Regulatory Hot Topics – Top six most talked about themes this quarter

Financial Products,
Instruments & Services

16

Updates

Data & Technology

13

Updates

Supervisory
Approach

11

Updates

Governance & Strategic /
Reputational Risk

9

Updates

Climate &
Sustainability

7

Updates

Financial Risk

8

Updates

Taxonomy

1. COVID-19 Measures
2. Governance & Strategic / Reputational Risk
3. Financial Risk
4. Operational & Conduct Risk
5. Financial Crime
6. Consumer Protection
7. Data & Technology
8. Financial Products, Instruments & Services
9. Financial Market Infrastructure
10. Systemic / Currency Stability
11. Enforcement
12. Supervisory Approach
13. Climate & Sustainability

Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts

Australia (1/2)

1 APRA finalises framework on macroprudential policy measures

The Australian Prudential Regulation Authority (APRA) has finalised its prudential framework on macroprudential policy measures. The new framework, which has been given effect through new requirements in Prudential Standard APS 220 (Credit Risk Management), and will come into effect from September 2022, outlines new requirements which aim to strengthen transparency, implementation and enforceability of future policy responses reducing financial stability risks.

Authorised deposit-taking institutions (ADIs) must be prepared to implement certain macroprudential policy measures and have systems in place to limit growth in higher risk residential mortgage lending.

In a letter to ADIs, issued 14 June 2022, APRA outlines its expectations emphasising the importance of lenders actively managing the risks within their loan portfolios and to closely monitor housing lending risks to ensure that aggregate portfolio risks remain within their risk appetite.

[APRA's new macroprudential policy framework](#)

2 Marketing of managed fund performance and risks scrutinised by ASIC

In March 2022, the Australian Securities and Investments Commission (ASIC) commenced a surveillance into the marketing of managed funds, in order to identify the use of misleading representations relating to performance and risk, in both traditional and digital marketing material. Due to the current highly volatile and low-yield environment, consumers who seek reliable or high returns may be misled about the performance and risks of the funds which they are investing in. ASIC warns that if misleading conduct is identified, it will take action to disrupt behaviours, by deploying regulatory tools, including enforcement actions, if warranted.

Promoters of financial products and services, such as managed funds, should therefore ensure compliance with the principles and guidance set out in RG 234.

[22-061MR ASIC scrutinises marketing of managed fund performance and risks](#)
[RG 234 Advertising financial products and services: good practice guidance](#)

3 APRA and ASIC release joint FAQs on the implementation of the retirement income covenant

APRA and ASIC have issued FAQs on the implementation of the retirement income covenant subsequent to the letter issued to RSE licensees in March 2022. The FAQs published assist registrable superannuation entity (RSE) licensees in developing their Retirement Income Strategies to meet the requirements of the Retirement Income Covenant.

[FAQs to assist RSE licensees develop Retirement Income Strategies](#)
[APRA Letter to RSE licensees: implementation of the Retirement Income Covenant](#)

4 23 Superannuation trustees to strengthen conflict management arrangement

In April 2022, ASIC wrote to 23 trustees, outlining its concerns regarding oversight and control measures in relation to investment switching. ASIC requested trustees take steps to improve existing policies and procedures, due to deficiencies in conflicts management arrangements.

In response to ASIC's concerns, trustees have committed to implement a range of changes to improve arrangements for managing conflicts. These include:

- Updating or establishing policies and practices to address the deficiencies outlined by ASIC relating to investment switching, inappropriate trading and conflict arrangements;
- Increase engagement, oversight, input and direction by board. For instance, increased monitoring of staff transactions and reporting back to the board, including on switching activity;
- Increase the staff awareness of policies through communication and training; and
- Undertake an independent review of the trustee's broader conflicts management framework

[Superannuation trustees strengthen governance practices](#)

Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts

Australia (2/2)

5 Update on crypto-assets and payments

Over the past quarter, Australian regulators have issued a number of regulatory updates regarding digital assets (including crypto) and payments:

APRA's risk management expectations and policy roadmap for crypto-assets

In April 2022, APRA outlined its expectations when engaging with activities associated with crypto assets. All regulated entities must adopt a prudent approach if they undertake activities associated with crypto-assets and ensure that "any risks are well understood and well managed before launching material new initiatives" across operational, investment, and credit risk.

In addition, APRA presented its policy roadmap to develop the longer-term prudential framework for crypto-assets. The longer-term plan is in consultation with other regulated entities to ensure consistency in approach. The roadmap lays out the path ahead for consultation and reviews regarding crypto-activities, operational risk and stablecoins.

[APRA Letter to Industry: Crypto-assets - Risk management expectations and policy roadmap](#)

AUSTRAC releases two financial crime guides to stop ransomware attack payments and the criminal use of digital currencies

In April, the Australian Transaction Reports and Analysis Centre (AUSTRAC) released two guides on stopping ransomware attacks, and the use of digital currencies to commit financial crime. The guides contain practical information and indicators to help businesses identify and report if payments could be related to ransomware attacks, or in the event that someone is using digital currencies to commit financial crime. AUSTRAC encourages financial services institutions to use this guidance, alongside existing monitoring systems to help spot potential illegitimate use of digital currencies, and report any suspicious activity to AUSTRAC.

[AUSTRAC Media Release: Working with businesses to target ransomware and criminal use of digital currencies](#)

[AUSTRAC Guide: Detecting and stopping ransomware financial crime](#)

[AUSTRAC Guide: Preventing the criminal abuse of digital currencies financial crime guide](#)

ACCC investigates anti-competitive conduct in payment markets

In May 2022, the Australian Competition and Consumer Commission (ACCC) announced that it will be investigating allegations of anti-competitive conduct in payments markets, and will over the next year focus on ACCC's financial services enforcement and policy work.

[ACCC Media Release: Competition issues with shift to digital payments](#)

5 Update on crypto-assets and payments (continue)

ASIC releases updated ePayments Code as a result of the Review of the Australian Payments System

On 2 June 2022, ASIC published an enhanced ePayments Code to provide clarity and confidence for consumers when making electronic payments. The update comes as a response to one of the recommendations in Treasury's Review of the Australian Payments System in August last year.

[ASIC Media Release: 22-125MR ASIC releases updated ePayments Code ePayments Code](#)

6 Greenwashing information sheet for superannuation and investment products

ASIC has released an information sheet (INFO 271) for superannuation and managed funds to avoid 'greenwashing' when offering or promoting sustainability-related products. Additionally, INFO 271 provides guidance to product issuers to ensure information that is included in publications is sufficient to help current and prospective investors to make informed decisions. Some of the guidance includes:

- Using clear labels
- Defining the sustainability terminology which is used
- Clearly explaining how sustainability considerations are factored into the investment strategy

[ASIC Media Release: 22-141MR How to avoid 'greenwashing' for superannuation and managed funds](#)
[INFO 271 - How to avoid greenwashing when offering or promoting sustainability-related products](#)

Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts

China Mainland (1/3)

1 CBIRC updates rules regarding insurance funds supervision

In Q2 2022, the China Banking and Insurance Regulatory Commission (CBIRC) issued multiple Notices regarding insurance funds supervision.

Rules on Entrusted Investment of Insurance Funds

On 13 May 2022, the CBIRC issued the amended Rules to govern entrusted investment of insurance funds. The Rules aim to reinforce the primary obligations of insurance institutions, and to prevent risk associated with entrusted investment. Key revisions include:

- i. definition of the applicable subject and scope of entrusted investment;
- ii. stressing the responsibilities of the trustor; and
- iii. enhancement of the active management trustee's responsibility.

[CBIRC Issues the Rules on Entrusted Investment of Insurance Funds](#)

Notice on the Investment of Insurance Funds in Relevant Financial Products

On 13 May 2022, the CBIRC issued the Notice to govern investment of insurance funds in relevant financial products. The Notice aims to further optimising the allocation structure of insurance assets, improving insurance funds' quality and efficiency in serving the real economy, and prevent investment risks. Key revisions include:

- i. broadening the scope of eligible financial products for insurance fund investments;
- ii. enforcing the primary risk management responsibility of insurance asset management companies;
- iii. strengthening look-through supervision requirements;
- iv. establishing investments standards for single asset management products; and
- v. improving requirements for post-investment management.

[CBIRC Issues the Notice on the Investment of Insurance Funds in Relevant Financial Products](#)

Notice on Strengthening the Supervision of Related-Party Transactions of Insurance Institutions Fund Investment

On 2 June 2022, the CBIRC issued the Notice to further strengthen the regulation and supervision of related-party transactions of insurance fund investment and prevent investment risks. The Notice covers detailed general requirements, principal responsibilities of insurers, measures to strengthen supervision and management, and the role of industry self-disciplinary organisations.

[CBIRC Issues the Notice on Strengthening Supervision of Related-Party Transactions in Insurance Institutions' Fund Investment](#)

2 Draft Rules on Regulatory Statistics of Banking and Insurance Sectors

On 19 May 2022, the CBIRC published a consultation paper on *Rules on Regulatory Statistics of the Banking and Insurance Sectors* based on current practices. The proposed rules aim to enhance statistics management of banking and insurance institutions, and to improve the quality and efficiency of statistics collected. Key focus areas of the proposed rules include:

- i. Setting unified management requirements;
- ii. Clarifying the responsibility for data quality;
- iii. Emphasising data security protection;
- iv. Meeting data governance requirements; and
- v. Attaching significance to data value realisation.

The consultation period ended on 19 June 2022.

[CBIRC Solicits Public Opinions on the Rules on Regulatory Statistics of Banking and Insurance Sectors \(for Consultation\)](#)

3 Draft Rules on Protection of Consumer Rights and Interests by Banking and Insurance Institutions

On 19 May 2022, the CBIRC published the draft *Rules on Protection of Consumer Rights and Interests by Banking and Insurance Institutions* for public consultation. The draft Rules intend to ensure a fair and just financial market environment, safeguard consumer's legitimate rights and interests, and to promote the high-quality and consistent growth of banking and insurance industries. Key areas of focus within the draft Rules include:

- i. Provisions on the overall objectives, the scope of institutions, responsibilities and obligations, supervisory authorities and principles;
- ii. Requirements on the working mechanisms and management;
- iii. Regulating the operation of banking and insurance institutions, safeguarding the eight basic rights of consumers, as well as regulating the collection, use and transmission of consumer personal information
- iv. Supervision and management of CBIRC and its local offices, banking associations, and insurance associations; and
- v. Specifying the scope of application, the right of interpretation, and the time of implementation of the Rules.

The consultation period ended on 19 June 2022.

[CBIRC Solicits Public Opinions on the Rules on Protection of Consumer Rights and Interests by Banking and Insurance Institutions \(for Consultation\)](#)

Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts

China Mainland (2/3)

4 Implementation Rules on Expected Credit Loss Approach of Commercial Banks

To regulate commercial banks' internal controls and risk management, the CBIRC issued the *Implementation Rules on Expected Credit Loss Approach of Commercial Banks* on 18 May 2022. The Rules seek to unify the internal control mechanisms and management process for the implementation of commercial banks' expected credit loss (ECL) approach and create a sound foundation for credit risk provisioning management. Key areas of focus include:

- i. Clarifying governance mechanism of ECL approach implementation;
- ii. Laying a solid foundation for ECL approach implementation;
- iii. Standardising the ECL approach implementation process; and
- iv. Strengthening the ECL approach supervision.

As the next step, the CBIRC will provide guidance and urge commercial banks to implement the Rules, continuously improve commercial banks' ECL strategy implementation, and promote high-quality growth of commercial banks.

[CBIRC Issues the Implementation Rules on Expected Credit Loss Approach of Commercial Banks](#)

5 Public Consultation on the Rules on Internal Control of Wealth Management Companies

On 29 April 2022, the CBIRC published a consultation paper on the *Rules on Internal Control of Wealth Management Companies*. The Rules will serve as the refinement and supplement to the CBIRC principles and requirements in *Guidance on Regulating the Asset Management Business of Financial Institutions*, *Rules on Wealth Management Business of Commercial Banks*, *Rules on Wealth Management Subsidiaries of Commercial Banks*, and other laws and regulations. Together, the above Rules serve as the foundation for wealth management businesses' internal control management.

The Rules cover the general provisions, internal control responsibilities, internal control activities, internal control support, internal control supervision and supplementary provisions for wealth management companies.

[CBIRC Solicits Public Opinions on the Rules on Internal Control of Wealth Management Companies \(for Consultation\)](#)

6 Notice on Relevant Issues Concerning the Issuance of Non-capital TLAC Bonds by Global Systemically Important Banks

On 29 April 2022, the Notice on Relevant Issues Concerning the Issuance of Non-capital TLAC Bonds by Global Systemically Important Banks was jointly issued by the People's Bank of China (PBC) and CBIRC.

The purpose of the Notice is to further enhance the robustness of China's financial system and China's global systemically important banks' (G-SIBs) loss absorbing capacity, as well as regulating the issuance of non-capital bonds with total loss absorbing capacity (non-capital TLAC bonds) by G-SIBs.

The Notice provides the basis for the orderly operation of bond issuance by G-SIBs, by outlining the fundamental components of the non-capital TLAC bonds and regulatory requirements on bond issuance. These include the definition, repayment order, loss absorbing method, information disclosure, issuance pricing, registration and custody.

[PBC and CBIRC Jointly Release the Notice on Relevant Issues Concerning the Issuance of Non-capital TLAC Bonds by Global Systemically Important Banks](#)

7 Green Finance Guidelines for Banking and Insurance Sectors

On 2 June 2022, the CBIRC issued the *Green Finance Guidelines for Banking and Insurance Sectors*, expanding the CBIRC's requirements on environment, social and governance (ESG) on banking and insurance institutions. The guidelines aim to provide guidance to banks and insurers on developing green finance practices and achieving carbon peaking and carbon neutrality in an orderly manner.

Key requirements include:

- i. the implementation of ESG requirements in management processes and comprehensive risk management framework;
- ii. responsibility specification of the board and senior management, as well as establishing a green finance organisation and coordination mechanism;
- iii. credit policies and investment policies; process management of investment and financing activities; and
- iv. internal control management and information disclosure.

[CBIRC Releases the Green Finance Guidelines for Banking and Insurance Sectors](#)

Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts

China Mainland (3/3)

8 Public Consultation on the Law of the People's Republic of China on Financial Stability

On 6 April 2022, the PBC published the exposure draft on the Law of the People's Republic of China on Financial Stability for public opinions. The draft law aims to implement the decisions and arrangements by the Central Committee of the Communist Party of China (CPC) and the State Council to forestall and defuse financial risks, enhance financial rule of law, and establish a long-term framework to sustain financial stability.

The draft law includes 48 articles in six chapters, covering the general provisions, financial risk prevention, financial risk defusing, financial risk resolution, legal liabilities, and supplementary provisions.

[PBC Solicits Public Opinions on the Law of the People's Republic of China on Financial Stability \(Exposure Draft\)](#)

9 Rule of Accounting Treatment for Asset Management Products

On 25 May 2022, the Ministry of Finance of the People's Republic of China (MOF) published the *Rule of Accounting Treatment for Asset Management Products*. The purpose of the Rule is to set out detailed instructions on the accounting treatment for asset management products ('AMPs'), solve specific accounting issues that AMPs encountered due to their own operational characteristics and regulatory requirements, unify accounting practices of various AMPs, and improve the comparability of the accounting information regarding AMPs.

The Rule specifies the standards that apply to investments held for AMPs and the classification and measurement of financial assets. Accounting treatments for other major transactions such as interests, custody fees, and managerial remuneration are also specified in the Rule.

[MOF issued the Rule of Accounting Treatment for Asset Management Products](#)

10 Notice on Strengthening Financial Services for COVID-19 Containment and Socio-Economic Development

To provide support to COVID-19 containment and recovery of the real economy, the PBC and other government agencies jointly issued the *Notice on Further Strengthening Financial Support for Preventing and Controlling the Novel Coronavirus Pneumonia Epidemic* on 14 April 2022. The Notice includes 30 measures covering monetary and credit policies, and financial services.

Key areas covered include:

Increase financial support to the pandemic affected sectors, businesses and population through aggregate and structural monetary policy instruments;

1. Promote the role of finance to maintain smooth economic flows and ensuring the implementation of financial measures made to support the real economy;
2. Improve foreign exchange and cross-border RMB businesses process, and promote stable exports and foreign trade development; and
3. Strengthen Party leadership and improve long-term policy sustainability and effects of policy promotion and implementation.

[Notice on Strengthening Financial Services for COVID-19 Containment and Socio-Economic Development](#)

11 CERDS published the Corporate ESG disclosure guidelines

On 16 April 2022, the China Enterprise Reform and Development Society (CERDS) published the *Corporate ESG Disclosure Guidelines*. Development of the Guidelines was led by CERDS, in collaboration with multiple organisations, including large business corporations. The Guidelines were designed based on Chinese laws and regulations and provides a basic framework for firms carrying out ESG disclosure. In addition, the Guidelines provide infrastructure to promote enterprise green and low-carbon strategic transformation, and guidance on disclosure principles, disclosure indicator system, disclosure requirements and applications, responsibilities and supervision of corporate ESG disclosure.

The Guideline took effect on 1 June 2022 and it applies to ESG disclosures for companies of all sizes and types in various industries.

[Corporate ESG disclosure guidelines \(Chinese Only\)](#)
[Press Release \(Chinese Only\)](#)

Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts

Hong Kong SAR (1/3)

1 RegTech Knowledge Hub

On 24 April 2022, the 'RegTech Knowledge Hub' was launched by the Hong Kong Monetary Authority (HKMA) as part of the HKMA's two-year RegTech promotion roadmap. The knowledge hub aims to encourage the adoption and expertise sharing of RegTech within the RegTech community, which includes banks and RegTech service providers. The knowledge hub also serves as the HKMA's RegTech-related information repository, where RegTech-related circulars, guidance papers, and research reports can be accessed.

[The HKMA launches the RegTech Knowledge Hub](#)

2 Discussion Paper on e-HKD

On 27 April 2022, the HKMA published the *e-HKD: A Policy and Design Perspective* discussion paper. The discussion paper is the second part of the HKMA's e-HKD study project under the Fintech 2025 strategy launched in June 2021. The first part of the study was published in October 2021, focusing on the technical aspects of the proposed e-HKD digital currency.

This second part of the paper focuses on the policy and design aspects of introducing e-HKD. Key highlights of the paper include the potential benefits, challenges, and design considerations for e-HKD, and use cases.

The response period ended on 27 May 2022.

[Press Release: Discussion paper on e-HKD from policy and design perspective](#)
[Discussion Paper: eHKD: A policy and design perspective](#)

3 Consultation on the Implementation Of Basel III Final Reform Package

On 30 June 2022, the HKMA issued a letter to consult the banking industry on amendments relating to the implementation of the *Basel III final reform package*. Key areas of amendment relate to the standardised approach and the internal ratings approach (IRB approach) of credit risk, and output floor calculation of the capital requirement. The consultation period ends on 31 August 2022. All amendments mentioned in the documents will be effective on 1 January 2023, unless otherwise stated.

[Annex 1](#)
[Annex 2](#)

4 Sound Practice for Customer Data Production

On 4 April 2022, the HKMA published the *Sound Practices for Customer Data Protection* guidance paper. The guidance paper presents the observations from thematic examinations conducted by the HKMA and provides supervisory responses to the increasingly challenging cybersecurity landscape. Through the thematic examinations, HKMA observed that effective customer data safeguard controls had generally been implemented by the authorised institutions (AIs). Sound practices identified include:

Data governance: Some AIs had established governance framework enveloping customer data risk management processes and data security strategy.

Customer data inventory management: Some AIs had developed clear policies and procedures in place to ensure effective customer data inventory management.

Controls over transmission and storage of customer data: Many AIs have established security measures to prevent data breach risk while handling customer data in transit, at rest, and at end of life.

Physical and logical security controls of customer data: Many AIs have already implemented physical and logical security controls (e.g. multi-factor authentication) to prevent unauthorised access or theft of customer data.

[Circular: Sound practices for customer data protection Annex](#)

5 Regulation and Supervision of Trust Business

On 27 May 2022, the HKMA issued a new SPM module – *TB-1 Regulation and Supervision of Trust Business*. Along with the module, the HKMA also issued the *Code of Practice for Trust Business*. The new SPM module serves as a statutory guideline under the Banking Ordinance section 7(3).

SPM TB-1 sets out the HKMA's supervisory approach and conduct requirements on trust business and related activities of AIs. SPM TB-1 aims to strengthen the protection of client assets held on trust, promote fair customer treatment and customer-centric culture in trust businesses, and achieve better alignment with international standards and best practice.

All AIs are required to comply with SPM TB-1 by 1 June 2023. Subsidiaries of locally incorporated AIs must also comply with relevant requirements set out SPM TB-1.

[Circular: Supervisory Policy Manual \(SPM\) Module: TB-1 "Regulation and Supervision of Trust Business"](#)
[SPM module - TB-1 Regulation and Supervision of Trust Business](#)

Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts

Hong Kong SAR (2/3)

6 SPM OR-2 on Operational Resilience and TM-G-2 on Business Continuity Planning

On 31 May 2022, the HKMA released the new SPM module *OR-2 on Operational Resilience* and the revised module *TM-G-2 on Business Continuity Planning* to implement the Principles for Operational Resilience (POR) issued by the Basel Committee on Banking Supervision (BCSC) in March 2021.

SPM OR-2 sets out HKMA's overall approach and expectations on operational resilience. The module also provided high level guidance on developing a comprehensive and holistic operational resilience strategy framework.

TM-G-2 complements SPM OR-2, the revised module enhances the existing business continuity planning guidance. Moreover, terminologies used for operational resilience purpose and business continuity planning are aligned for clarity.

The modules apply to all HKMA supervised AIs and should fully comply with the operational resilience framework development requirements by 31 May 2023 and comply with implementation requirements by 31 May 2026.

[Circular: Supervisory Policy Manual \(SPM\): New module OR-2 on "Operational Resilience" and revised module TM-G-2 on "Business Continuity Planning"](#)
[SPM OR-2 on "Operational Resilience"](#)
[Revised SPM TM-G-2 on "Business Continuity Planning"](#)

7 HKMA publishes its two-year climate risk management supervisory plan

On 30 June 2022, the HKMA released its two-year plan to embed climate risk into banking supervision, following a comprehensive review of the current climate risk management supervisory processes. Key initiatives include:

1. Including climate risk management as a standing item on annual prudential meeting agenda;
2. Enhancement of the *Capital adequacy, Asset quality, Management, Earnings, and Liquidity* (CAMEL) rating framework and *SPM module SA-1 on Risk-based Supervisory Approach*;
3. Thematic examinations on selected areas of climate risk management;
4. Integration of climate risk stress test into the supervisor-driven stress-testing framework;
5. Enhance "Greenness" assessment framework; and
6. On-going review of the current regulatory framework.

[HKMA two-year plan: Embedding climate risk in banking supervision](#)

8 Proposed Amendments to the Securities and Futures Ordinance

On 10 June 2022, the Securities and Futures Commission (SFC) published a consultation on the proposed amendments to the Securities and Futures Ordinance (Cap. 571) (SFO), with submissions open till 12 August 2022. The proposed amendments aim to improve the effectiveness of the enforcement actions taken by the SFC:

SFO section 213 – Injunctions and other orders: Allows the SFC to apply for injunctions and other orders from the Court of First Instance (CFI) against a regulated person under section 213 with cause of action provided.

SFO section 103(1) – Offence to issue advertisements, invitations and documents relating to investments in certain cases: Provides clarification to the professional investors (PIs) exemption in section 103(3)K, enhancing the original intention of the exemption.

Expanding the scope of insider dealing provisions of the SFO: Proposed to expand the scope to include insider dealing occurred in Hong Kong involving overseas-listed securities, and insider dealing occurred outside of Hong Kong, involving Hong Kong listed securities.

[Press Release](#)
[Consultation Paper on Proposed Amendments to Enforcement-related Provisions of the Securities and Futures Ordinance](#)

Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts

Hong Kong SAR (3/3)

9 Focused Review on Incentive Systems of Front Offices in Retail Banks

In May 2022, the HKMA published the *Final Report of the Focused Review on Incentive Systems of Front Offices in Retail Banks*, following the completion and publication of the interim report in November 2021. The completed review consisted of a series of activities, including an industry-wide staff survey, focus group discussions and individual interviews with staff of participating retail banks, and document reviews relating to front offices' incentive systems. Key observations from the review include:

- i. **Understanding customer outcomes:** "Customer satisfaction" is being commonly interpreted and used as a measurement for "good customer outcomes" by frontline staff.
- ii. **Aligning staff behaviour:** Some common incentive practices (i.e., higher reward for financial performance over non-financial performance) have often led to unintentional prioritisation of business objectives over customer outcomes.
- iii. **Motivating frontline staff:** Financial incentives are generally used to motivate frontline staff in incentive systems, however other types of rewards, such as those reflected staff's intrinsic values, should also be utilised.
- iv. **Effectiveness of incentive systems:** Incentives' effectiveness and strengthening focus on good customer outcomes can be impacted by factors such as the transparency and consistency of non-financial performance.

The HKMA also released a set of incentive design principles, based on the above observations. These principles include:

1. Clear prioritisation of customer outcomes
2. Development of an aligned system
3. Focusing on intrinsic motivators
4. Wise use of technology
5. Close connection between leaders and staff
6. Minimising potential misconduct and mis-selling behaviours

The HKMA noted that the outcomes of the review, and incentive design principles are not intended to serve as regulatory requirements.

[Circular: Final Report on Focused Review on Incentive System of Front Offices in Retail Banks](#)
[Full report](#)

10 COVID-19 and Operational Resilience

On 15 June 2022, the Hong Kong Institute for Monetary and Financial Research (HKIMR) published the report on *COVID-19 and the Operational Resilience of Hong Kong's Financial Services Industry: Preliminary considerations from the 2020-2021 experience*. The report examines the Hong Kong financial services industry's (FSI) experience in maintaining operational resilience in various stages of the pandemic. Viewpoints from the industry were collected through surveys and interviews commissioned by the HKIMR in collaboration with Deloitte Risk Advisory in July 2021. Topics of focus in the report include measures implemented across the industry during 2020 – 2021, and the criticality of external enhancers (e.g., policy support). The HKIMR also provided preliminary considerations for FSIs on maintaining and enhancing operational resilience.

[Press Release](#)
[COVID-19 and the Operational Resilience of Hong Kong's Financial Services Industry: Preliminary considerations from the 2020-2021 experience](#)



Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts

India

1 Modification on Cyber Security and Cyber Resilience Framework of Mutual Funds/Asset Management Companies (AMCs)

On 9 June 2022, the Securities and Exchange Board of India (SEBI) issued the modified *Cyber Security and Cyber Resilience Framework for Asset Management/Mutual Fund Companies*. The SEBI partially amended Annexure 1 of SEBI circular dated 10 January 2019. Some key amendments include:

1. Identify and classify critical assets based on their level of sensitivity and criticality for business operations, services and data management;
2. Conduct Vulnerability Assessment and Penetration Testing (VAPT) on a regular basis to identify security vulnerabilities in the IT environment and evaluate in-depth the security posture of the system through simulations of actual attacks on its systems and networks;
3. Only engage Indian Computer Emergency Response Team (CERT-In) empanelled organisations to conduct VAPT;
4. The final report of the VAPT should be submitted to SEBI after approval from Technology Committee of respective Mutual Funds/ AMCs, within 1 month of completion of the VAPT exercise; and
5. Conduct a comprehensive cyber audit at least twice every fiscal year.

The modified framework will come into effect on 15 July 2022.

[Circular on Modification in Cyber Security and Cyber Resilience Framework of Mutual Funds/Asset Management Companies](#)

2 Geo-tagging of Payment System Touch Points

On 25 March 2022, the Reserve Bank of India (RBI) prescribed the *Framework for Geo-tagging of Payment System Touch Points*. The framework aims to facilitate inclusive access to digital payments, and expansion of the acceptance infrastructure.

[Framework for Geo-tagging of Payment System Touch Points](#)

3 Establishment of Digital Banking Units (DBUs)

On 7 April 2022, the RBI published the guideline regarding the *Establishment of Digital Banking Units (DBUs)* to speed up and expand the scope of digital banking services. The guideline is applicable to all domestic scheduled commercial banks (excluding regional rural banks, payments banks and local area banks), and came into effect on the date of issue.

[Establishment of Digital Banking Units \(DBUs\)](#)

4 Update to Operational Guidelines

On 29 April 2022, the SEBI released an update to the *Operational Guidelines for Foreign Portfolio Investors, Designated Depository Participants and Eligible Foreign Investors*, issued on 5 November 2019. The updated provisions became effective on 9 May 2022, including an updates to:

1. Paragraph 6 of Part A pertaining to the Certification of Registration; and
2. Paragraph 10 of Part A pertaining to Name Change.

[Modification to the Operational Guidelines for Foreign Portfolio Investors, Designated Depository Participants and Eligible Foreign Investors](#)

Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

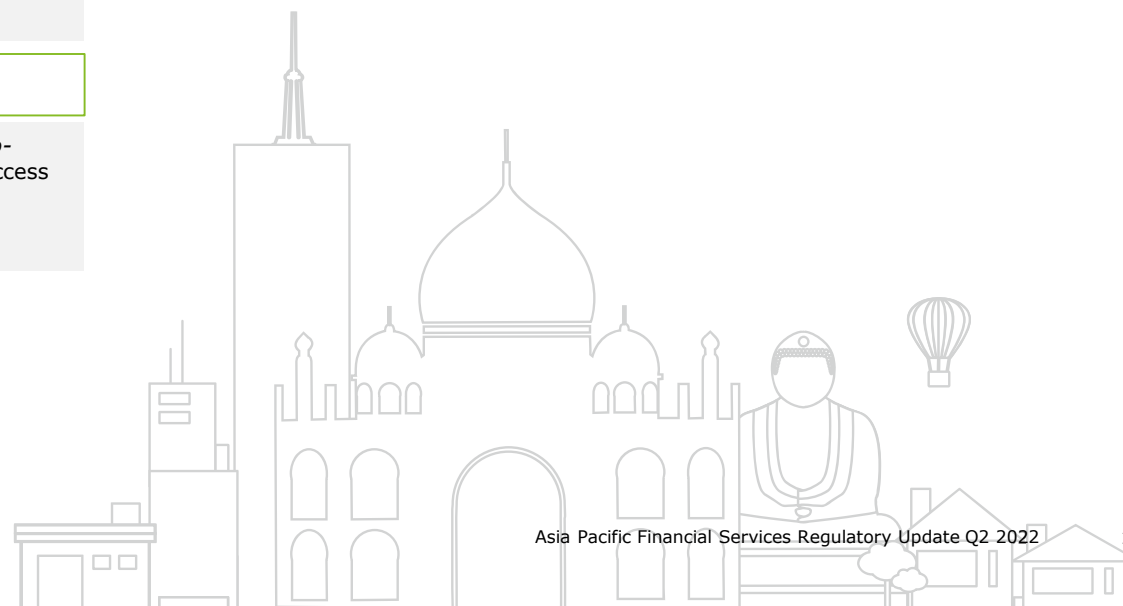
Singapore

South Korea

Taiwan

Thailand

Contacts



Indonesia

1 Consumer and Public Protection in the Financial Services Sector

On 18 April 2022, the Financial Services Authority (OJK) published an update to [6/POJK.07/2022 Consumer and Public Protection in the Financial Services Sector](#). Key changes include:

1. Provisions for consumer and public protection in the financial services sector;
2. Consumer protection infrastructure;
3. Implementation of consumer and public services in the financial services sector by OJK;
4. Legal defence by OJK for consumer and public protection;
5. Supervision and guidance by OJK; and
6. Provisions regarding coordination.

[6/POJK.07/2022 Consumer and Public Protection in the Financial Services Sector](#)

2 Policy on the Use of Rupiah in International Activities

On 27 April 2022, the Bank Indonesia released the Policy on the use of the Rupiah in international activities, such as the use of Rupiah outside the Territory of the Republic of Indonesia, and the use of Rupiah by Non-Residents within the Territory of the Republic of Indonesia. The Policy aims to achieve and maintain the stability of Rupiah's value and the stability of financial system, as well as to prevent and reduce risks in the monetary sector.

Key provisions in the Policy include:

1. The scope of the use of Rupiah in international activities includes:
 - a. the use of Rupiah outside the Territory of the Republic of Indonesia; and
 - b. the use of Rupiah by Non-Residents within the Territory of the Republic of Indonesia;
2. The use of Rupiah outside the Territory of the Republic of Indonesia is prohibited for Residents and Non-Residents. However, Bank Indonesia may provide exceptions to the prohibition on the use of Rupiah outside the Territory of the Republic of Indonesia;
3. The use of Rupiah outside the territory of the Republic of Indonesia includes: its use in physical form, accounts, and digital financial instruments, which includes its use in quotations, financial transactions, and financial transaction settlements;
4. The use of Rupiah by Non-Residents must be supported by underlying economic activities and Bank Indonesia may regulate restrictions on the use of Rupiah in certain activities by Non-Residents within the Territory of the Republic of Indonesia;
5. Bank Indonesia may impose administrative sanctions for violations of policy on the use of Rupiah in international activities; and
6. Bank Indonesia supervises the use of Rupiah in international activities and may coordinate with authorities, agencies, institutions, and/or other parties in supporting policies on the use of Rupiah in international activities.

[NOMOR 24/6/PBI/2022 Policy on the Use of Rupiah in International Activities](#)

Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts



Japan (1/3)

1 Climate-related Risk Management and Client Engagement

On 25 April 2022, the Japan Financial Services Agency (JFSA) published the draft *Supervisory Guidance on Climate-related Risk Management and Client Engagement* for public consultation. The draft Guidance outlines supervisory dialogues on financial institutions' (FI) climate-related risk management, and how FIs work with their clients in addressing climate-related opportunities and risks.

The consultation period ended on 26 May 2022.

[Publication of the draft "Supervisory Guidance on Climate-related Risk Management and Client Engagement" for public consultation \(Public consultation will remain open until May 26, 2022\)](#)

2 Supervisory Focus Points and Actions in Light of the Losses Resulting from the Default of a US Investment Fund

On 20 April 2022, the JFSA published the *Supervisory Focus Points and Actions in Light of the Losses Resulting from the Default of a US Investment Fund*. The JFSA collaborated with regulators in the UK, US, and other jurisdictions to examine the cause of Archegos' failure, the deficiencies in firm risk management, and the governance of Archegos' counterparties.

In the letter, the JFSA set out the observations on the firms' practices identified through the examination and the upcoming JFSA actions. The JFSA expects this letter to serve as a guidance to enhance the governance and risk management framework of firms, as well as an aid for fostering a sound risk culture.

[Supervisory Focus Points and Actions](#)

3 Summary of Results of the Third Survey on the Use of LIBOR

On 31 March 2022, the JFSA and BOJ published the results of the joint survey of FIs use of LIBOR. FIs will be required to take actions to transition away from panel-based LIBOR, synthetic LIBOR, and USD LIBOR. The JFSA will continue to monitor the transition progress and require FIs to take appropriate measures according to FI's transition situation.

[Summary of Results of the Third Survey on the Use of LIBOR](#)

4 Personal Information Protection in the Financial Sector

Following public consultation, on 24 March 2022, the JFSA and the Personal Information Protection Commission published an update to the *Guidelines for Personal Information Protection in the Financial Sector* and the *Practical Guidelines for Security Policies Regarding the Personal Information Protection in the Financial Sector*.

The amendments took effect on 1 April 2022 and include updates to the information provision of personal data to a foreign domiciled third party, and updates to mandatory reporting of information leakages.

[Guidelines for Personal Information Protection in the Financial Sector](#)

5 JFSA updates multiple comprehensive guidelines for supervision

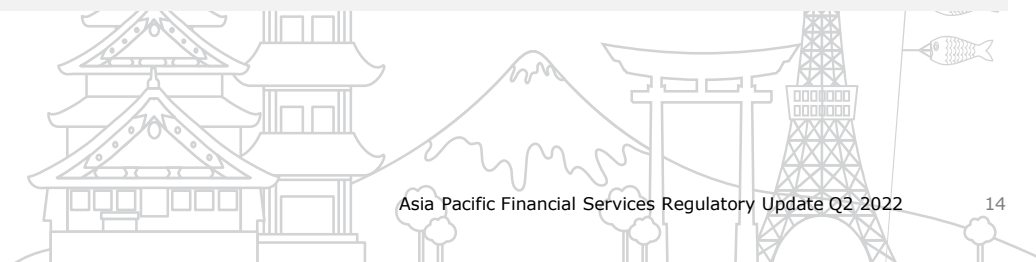
Effective 1 April 2022, updated supervisory guidelines were issued by the JFSA, including the *FAQs regarding Protection of Personal Information by Financial Institutions*, *Comprehensive Guidelines for Supervision of Major Banks, etc*, *Guidelines for Administrative Processes* and other relevant and applicable comprehensive guidelines.

[Publication of the updated "FAQs Regarding Protection of Personal Information by Financial Institutions" alongside the updated "Comprehensive Guidelines for Supervision of Major Banks, etc." and other relevant and applicable guidelines](#)

6 Bank of Japan Review – Review of JPY LIBOR Transition and Future Initiatives

On 31 May 2022, the BOJ published the review paper on JPY LIBOR transition and future initiatives. The paper includes a review of the events led up to LIBOR publication cessation, the Japanese financial market's responses to the transition away from JPY LIBOR, the initiatives summary for achieving a smooth transition and explanations on the areas requires attention as well as medium- to long-term efforts to be made.

[Bank of Japan Review – Review of JPY LIBOR Transition and Future Initiatives](#)



Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts

Japan (2/3)

7 Basel III Implementation

Amendments to the regulatory notices pertaining to leverage ratio requirements and regulatory notice pertaining to the disclosure form for G-SIB assessment (Pillar 3)

On 25 March 2022, the JFSA released final amendments to the *Regulatory Notices Pertaining to Leverage Ratio Requirements and Regulatory Notice Pertaining to the Disclosure Form for G-SIB Assessment (Pillar 3)*.

The key amendments include:

1. Extension of the temporal measure for excluding the outstanding balance of financial institutions' current account at the Bank of Japan (BOJ) from the calculation of the leverage ratio exposures until March 2024; and
2. Amendments to disclosure form for G-SIB assessment in the capital adequacy ratio regulations (Pillar III) to align with international standards.

The amendments were effective from 31 March 2022.

[Publication of the finalised amendments to the regulatory notices pertaining to leverage ratio requirements, and to the regulatory notice pertaining to the disclosure form for G-SIB assessment \(Pillar 3\) after public consultation](#)

Finalised amendments to the regulatory notices pertaining to Pillar 1 and Pillar 3 requirements of capital adequacy

On 24 April 2022, the JFSA announced the implementation timeline for implementing Basel III requirements, though the publication of the final regulatory notices on Pillar 1 and Pillar 3 requirements of capital adequacy after public consultation.

Key implementation dates are:

31 March 2024: For internationally active and non-internationally active FIs that use internal model-based approaches for measuring risks.

31 March 2025: For non-internationally active FIs that do not use internal model-based approaches for measuring risks.

FIs who wish to commence implementation of Pillar 1 and Pillar 3 requirements on or after 31 March 2023, may do so by notifying the JFSA.

[Regulatory notices pertaining to Pillar 1 and Pillar 3 requirements of capital adequacy](#)

8 On-Site Examination Policy

On 29 March 2022, the BOJ released the *On-Site Examination Policy for Fiscal 2022* to assess the soundness and risk management of FIs. The examination policy covers key issues, including efficacy of business management regarding profitability and financial soundness, status and efficacy of governance framework, and various risks and risk management frameworks (including credit risk, market risk, liquidity and operational risk). Observations from on-site examination in 2021 are also covered in this release.

Through the on-site examination 2022, the BOJ aims to employ thorough measures (e.g. remote methods) to prevent the spread of COVID-19, to provide FIs considerations on operational burden and efficiency improvement, and to gain the understanding and trust of FIs in the examination process and results.

[On-Site Examination Policy for Fiscal 2022](#)

9 Progress Report on Enhancing Asset Management Business

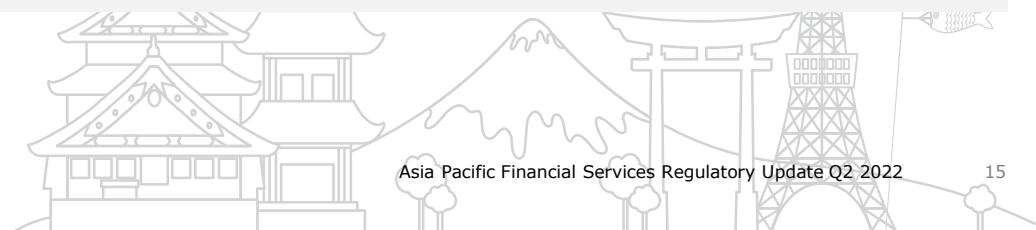
On 27 May 2022, the JFSA published the *Progress Report on Enhancing Asset Management Business 2022*. Through conversations with asset managers, the report identified and analysed the key challenges in the Japanese asset management industry.

In this report, the JFSA noted that asset management firms should strengthen its business operations and investment capabilities to prioritise client interests. As part of this exercise, it is essential for asset management firms to develop an organisational structure and to implement initiatives. The JFSA highlighted three important pillars in the report for firms to implement the initiatives, including management structure, product origination, delivery and monitoring, and clear visions and strengths.

In addition, the JFSA summaries its expectations for asset management funds on handling ESG funds, fund wraps, structure notes and asset owners (corporate pensions).

The JFSA will continue dialogues with asset management firms regarding the issues and challenges highlighted in the report.

[Progress Report on Enhancing Asset Management Business 2022](#)



Japan (3/3)

10 Central Bank Digital Currency Experiments Results and Findings from Phase 1 Proof of Concept

On 26 May 2022, the BOJ published the results *Proof of Concept (PoC) Phase I of the Central Bank Digital Currency (CBDC) Experiments* results and findings completed in March 2022. The objective for Phase I was to build an experimental environment based on the use of a 'CBDC ledger' as a CBDC system foundation, and to assess the performance of basic transaction relating to a CBDC. In Phase I, the experimental environment was built in public cloud and posted three design alternatives for CBDC ledgers, including:

- **Design 1:** Central bank manages a ledger that records the balances of all intermediaries and end-user accounts.
- **Design 2:** Central bank manages a ledger that records the account balances of intermediaries (own accounts/user accounts in aggregate) that record the account balances of their respective customer users.
- **Design 3:** Unique IDs are assigned to monetary data representing a fixed value, and the CBDC's holding status is indicated by linking those IDs to user IDs, called a "token-based CBDC ledger system".

Performance evaluation results from Phase 1 indicated that Design 2 showed a lower processing performance, compared to Design 1 due to the effects of record locking, whilst Design 3 will require more resources compared to other design to process the same transaction.

Functional evaluation results indicated that there were no significant differences between the designs on the resistance to security risks and availability, noting that Design 2 was observed to have a relatively small expected impact area for faults compared to the others regarding fault tolerance, and each design demonstrated distinct qualities in ease of extension.

In April 2022, the BOJ commenced Phase II, which will implement various additional functions of CBDC in the experimental environment developed in Phase I.

[Central Bank Digital Currency Experiments Results and Findings from Phase 1 Proof of Concept](#)
[Commencement of Central Bank Digital Currency Experiments \(Phase 2 Proof of Concept\)](#)

11 Anti-Money Laundering, Counter Financing of Terrorism, and Counter Proliferation Financing in Japan

In March 2022, the JFSA published the report on current status and challenges regarding anti-money laundering, counter financing of terrorism, and counter proliferation financing (AML/CFT/CPF) in Japan. The JFSA's AML/CFT/CPF policies as of 31 March 2022 are included in the report, along with an overview of the financial institution's AML/CFT/CPF regime's status and developments. The JFSA also took into account recommendations set out by the Financial Action Task Force (FATF) in Fourth Round Mutual Evaluation Report of Japan.

The report states that an overall tendency of the industry is that FIs have started improving their systems since the JFSA announced its guidelines in February 2018 and that progress has been identified in the maintenance of the verification posture on the sales sites, etc.

In addition, the utilisation of a transaction monitoring system based on continuous customer management and risk-based threshold values, and a transaction filtering system for collating lists with sanctioned persons are also being promoted.

Although it is recognised that the overall system is becoming more sophisticated, comprehensive and specific risk identification and that evaluation are carried out, it takes time to determine an action plan for improving the system, and there are some FIs that fall behind in actual efforts.

[Report on the current status and challenges regarding anti-money laundering, counter financing of terrorism, and counter proliferation financing in Japan \(March 2022\)](#)



Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts

Malaysia (1/2)

1 Policies on Financial Reporting

On 29 April 2022, the Bank Negara Malaysia (BNM) published three policy documents on financial reporting:

1. [Financial Reporting](#) (effective from 1 January 2023 except for the requirements in Part D which took effect from 29 April 2022)
2. [Financial Reporting for Takaful Operators](#) (as above)
3. [Financial Reporting for Islamic Banking Institutions](#) (effective from 29 April 2022)

The policies set out the requirements and expectations of the *Malaysian Financial Reporting Standards* (MFRS) on financial institutions. The policies also strive to ensure that financial institutions make disclosures in their financial statements that improve comparability for financial statements users, and to facilitate the assessment of the financial position and performance of financial institutions. In the case of Islamic financial institutions, the policies also enhance Shariah compliance.

2 Granting of Credit Facilities

On 20 May 2022, the BNM published the policy document on *Granting of Credit Facilities* superseding the previous version released on 25 November 2015. In the policy document, the BNM sets out its requirements for granting credit facilities by licensed insurers and licensed takaful operators.

[Granting of Credit Facilities](#)

3 Professionalism of Insurance and Takaful Agents

On 27 April 2022, the BNM published the exposure draft on *Professionalism of Insurance and Takaful Agents* for consultation. The exposure draft set out the BNM's proposed requirements on recruitment of insurance and takaful operator agents by licensed insurers and licensed takaful operators (ITOs). Key requirements include minimum requirements for the agents, fit and proper criteria and due diligence process, and requirements on handling errant agents and training.

The consultation period ended on 31 May 2022.

[Exposure Draft: Professionalism of Insurance and Takaful Agents](#)

4 Foreign Exchange Policy Notices

On 1 June 2022, the BNM issued the *Financial Exchange Policy Notices (FEP Notices)* relating to the following: (1) dealing in currency, gold and other precious metals; (2) borrowing, lending and guarantee; (3) investment in foreign currency asset; (4) payment and receipt; (5) securities and financial instruments; (6) import and export of currency; and (7) export of goods.

The FEP Notices came into effect on 1 June 2022 (superseding the FEP notices issued on 15 April 2021), and set out:

- BNM's approval for transactions which otherwise are prohibited under section 214(2) read together with Schedule 14 of the *Financial Services Act 2013 (FSA)*, and section 225(2) read together with Schedule 14 of the *Islamic Financial Services Act 2013 (IFSA)*;
- Approval requirements, restrictions and conditions; and
- Direction of BNM

Under the FEP notices, written approval must be obtained from the BNM if a person wishes to undertake/engage in any prohibited transactions listed in Schedule 14 of FSA and IFSA. The BNM stated that the FEP Notices shall be read along with the *Declaration on Entities Created, Incorporated, etc. in Labuan* and the *Direction on Dealings with Specified Person and in Restricted Currency*.

[Foreign Exchange Policy Notices](#)



Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts

Malaysia (2/2)

5 Appendix of RMIT: Cloud Technology Risk Assessment Guide

On 3 June 2022, the BNM published a consultation paper on the *Appendix of Risk Management in Technology (RMIT): Cloud Technology Risk Assessment Guideline (CTRAG)* on 3 June 2022. The purpose of the appendix is to enhance the cloud risk management capabilities of financial institutions, by providing supplementary guidance relating to cloud technology risk assessments.

The consultation period ended on 15 July 2022

[Exposure Draft: Appendix of RMIT: Cloud Technology Risk Assessment Guide](#)

6 TCFD Application Guide for Malaysian Financial Institutions

On 29 June 2022, the Joint Committee on Climate Change (JC3) released the *Task Force on Climate-related Financial Disclosures (TCFD) Application Guide for Malaysian Financial Institutions*. The guide aims to support the implementation of climate-related disclosures aligning with the TCFD recommendations, and provides key recommendations together with relevant descriptions, guidance notes, considerations and examples to assist Malaysian financial institutions to implement TCFD recommendations.

[JC3 issues the TCFD Application Guide for Malaysian Financial Institutions](#)

Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts



New Zealand

1 Passage of the Retail Payment System Act 2022

In May 2022, the *Retail Payment System Act 2022* was passed. The Act intends to implement several initiatives to promote competition and economic efficiency in New Zealand's retail payment system to build long-term benefits to consumers and merchants. The key elements of the act surround the need for additional regulation in the payments industry, and the bounds for how this regulation will be developed and implemented. The provisions included in the Act came into force immediately.

[Ministry of Business, Innovation and Employment – Summary of NZ's Retail Payment System](#)

2 RBNZ Act 2021

The *Reserve Bank of New Zealand Act 2021* (RBNZ Act 2021) will replace and/or update sections of the RBNZ Act 1989, which focus on the Reserve Bank's institutional, governance and accountability arrangements and central bank powers. RBNZ Act 2021 intends to implement a governance board to replace the current single decision-maker model, as well as strengthen the reporting and accountability requirements. The Act came into effect on 1 July 2022.

Key elements of the RBNZ Act 2021:

- Establishment of a new governance board responsible for all decision-making (except Monetary Policy Committee)
- Introduction of an overarching objective of financial stability
- The Minister of Finance is required to issue a Financial Policy Remit that the Board must have regard to
- Alignment with wider state sector practice in terms of reporting and monitoring requirements, with the Treasury acting as the external monitor
- Improved coordination of agencies which are responsible for regulating our financial system
- The Minister will have the ability to set a financial tolerance within which RBNZ will carry out their operations independently

[Reserve Bank of New Zealand Act 2021](#)

3 Proposed Deposit Takers Act

The proposed Deposit Takers Act will replace the existing regimes for the regulation of banks and non-bank deposit takers, which is currently governed by parts of the *Reserve Bank of New Zealand Act 1989* and the *Non-Bank Deposit Takers Act 2013*. As of Q2 2022, the Deposit Takers Bill is at the final stage of preparation after completing consultation in February 2022. The Bill is expected to be introduced into Parliament in Q3 2022, and come into force as law in mid-to late 2023. The proposed Deposit Takers Act will:

- Establish a Depositor Compensation Scheme (DCS)
- Introduce a single regulatory regime for non-bank deposit-takers (NBDTs) and banks, with standards that would allow the RBNZ to set requirements
- Strengthen the accountability for directors of their deposit takers, with penalties for non-compliance
- Broaden the RBNZ's supervision and enforcement tools, which would include creating a new power to conduct on-site inspections
- Strengthen and clarify the crisis resolution framework.

The reforms also address a number of the recommendations of the [IMF's 2017 Financial Sector Assessment Programme](#).

[Proposed Deposit Takers Act](#)

4 Climate Related Disclosures

In June 2022, the *Financial Sector (Climate-related Disclosures and Other Matters) Amendment Act 2021* was introduced. The new law will impact financial institutions who are covered by the Financial Conduct Act 2012 (FMC Act) and will require them to make climate related disclosures from financial year commencing in 2023.

These regulations were developed to provide the financial services industry with guidance and information on what climate change will mean for financial institutions, as well as to improve consistency in existing reporting. Around 200 financial institutions will be required to provide climate-related disclosure. The reporting standard will be set based on External Reporting Board (XRB) standards, and in line with TCFD recommendations.

[Mandatory climate-related disclosures](#)

Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts

Philippines

1 Guidelines on the Integration of Sustainability Principles

In Q2 2022, the Bangko Sentral Ng Pilipinas (BSP) published the exposure draft of the *Guidelines on the Integration of Sustainability Principles* for consultation. The guideline sets out BSP's expectations on integration of sustainability principles into banks' investment activities. The expectations include responsible investment activities, and the minimum practices of management and investment-associated risk controls for BSP-supervised financial institutions.

The consultation ended on 1 June 2022.

[Draft circular: Guidelines on the Integration of Sustainability Principles](#)

2 The Rural Bank Strengthening Program

In light of the crucial role rural banks play in encouraging rural development and inclusive economic growth, the Monetary Board (MB) approved the *Rural Bank Strengthening Program* (RBSP) on 5 May 2022. The program was designed to enhance the operations, capacity, and competitiveness of rural banks.

The RBSP is structured with four key elements: (i) strengthened capital base (ii) five time-bound tracks (as stated in the document); (iii) incentives and capacity building interventions; and (iv) review and enhancements of existing regulations.

The RBSP will run for three years from 5 May 2022.

[The Rural Bank Strengthening Program](#)

3 Amendments to the Minimum Capitalisation of Rural Banks

As part of the RBSP, the BSP issued a draft circular on the *Amendments to the Minimum Capitalisation of Rural Banks* in April 2022 to increase the minimum capital requirements for rural banks. In the draft circular, the BSP noted "*A strong capital base enables rural banks to enhance their risk management systems, upgrade resources and manage operational costs, meet prudential standards, and accelerate digital transformation.*"

The BSP has proposed to increase the minimum required capitalisation of rural banks to P60 million for banks with one head office and banks with no more than five branches. For those with more than five branches, the proposed minimum capitalisation is P200 million.

[Draft circular: Amendments to the Minimum Capitalisation of Rural Banks](#)

Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts



Singapore

1 Continued focus on digital banking security & consumer protection

- MAS and the Association of Banks in Singapore (ABS) announced additional measures to safeguard customers from digital banking scams, including the requirement to implement an emergency self-service “kill switch”, which will allow customers to immediately suspend their accounts if they suspect their bank accounts have been compromised, and co-locating bank staff at the Singapore Police Force’s Anti-Scam Centre. These measures will be in full effect from 31 October 2022. ([Read more here](#))
- *Financial Advisers (Complaints Handling and Resolution) Regulations 2021*, which came into effect on 3 January 2022, sets out requirements for financial advisory firms to exercise management oversight and establish policies and procedures to handle and resolve complaints independently and promptly. ([Read more here](#))

2 Enhancing business resilience for financial institutions

Following two consultations, MAS released the *Guidelines on Business Continuity Management* to help financial institutions strengthen their resilience and continue delivery of services in face of service disruptions and threats (i.e., IT outages, pandemic outbreaks, cyber-attacks and physical threats). ([Read more here](#))

3 Pioneering exploratory technology in the financial industry

- MAS has published an information paper on the implementation of Fairness Principles in financial institutions’ use of Artificial Intelligence / Machine Learning (AI/ML). A key takeaway is the recommendation for robust governance and oversight practices. ([Read more here](#))
- BIS Innovation Hub and MAS developed a new prototype platform, *Project Ellipse*, that integrates regulatory data and analytics to identify potential risks to individual banks and the banking system. The solution will be made available for regulatory authorities around the world to further test, customise and scale. ([Read more here](#))
- MAS is working with the financial industry on *Project Guardian* to explore use cases for digital assets, particularly to test the feasibility of applications in asset tokenisation and decentralised finance. ([Read more here](#))

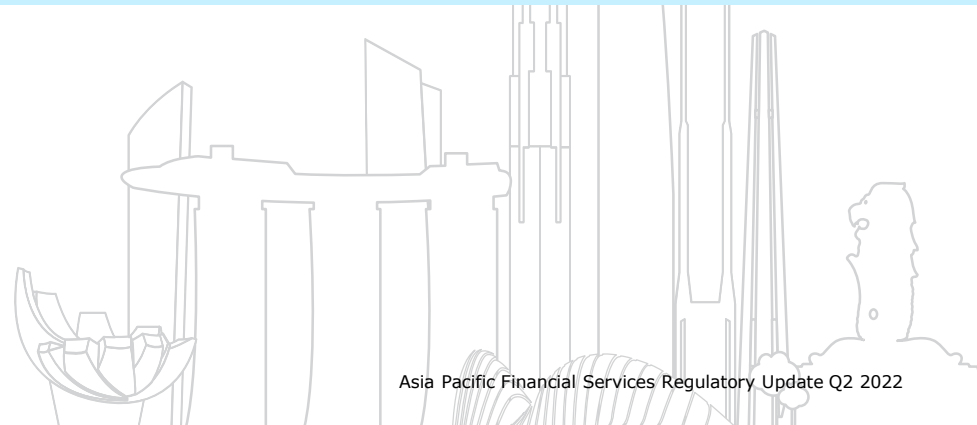
4 Preparing for a sustainable future

- Based on a thematic review conducted in 2021 on selected banks, insurers and asset managers, MAS highlighted emerging and/or good practices in its Information Papers on Environmental Risk Management. A key takeaway is the continued onus on financial institutions to assess risk management practices commensurate to their size, nature of activities, and risk profile, especially in nascent areas. Further, there is a call to set tangible targets to address environmental risk with urgency and ambition. ([Read more here](#))
- The Green Finance Industry Taskforce (GFIT), convened by the MAS, has issued a second consultation paper on green and transition taxonomy, adding granularity to the thresholds and criteria for the energy, transport and real estate sectors. The consultation period ended on 23 June 2022. ([Read more here](#))

Key Market Events

Immediately following a spate of banking scams in December 2021, Singapore’s financial industry has been focused on enhancing digital banking security and consumer protection. With Singapore in the works to establish a green and digital economy, the growing threat of cyber-crimes, coupled with unforeseen circumstances like the COVID-19 pandemic have set the tone for enhanced risk management. To that effect, the Monetary Authority of Singapore (MAS) have announced additional anti-scam measures and risk management measures.

Sustainability also remains a key risk consideration as Singapore seeks to better define a green and transition taxonomy, and identify best practices for environmental risk management. In parallel, MAS’ efforts continue to enhance business continuity and technological development.



South Korea (1/2)

1 Improvements to Cloud Computing and Network Separation Rules

On 15 April 2022, the Financial Services Commission (FSC Korea) introduced the improvements to the *Cloud Computing and Network Separation Rules in the Financial Services Industry*. The FSC Korea noted the financial industry's increasing concerns of the challenges associated with implementing new digital technologies, due to the overly-regulated cloud computing and network separation. In response, the FSC Korea introduced a set of measures to enhance existing regulations. Key improvements include:

Cloud computing:

1. Clarify the scope (and types) of work eligible for cloud computing applications;
2. Overhauling the usage process to remove redundancies and similarities; and
3. Transition to ex post facto reporting from the prior reporting requirement.

Network separation:

The uniform application of the network separation rules will be eased in stages, with the first stage providing for an exemption on network separation rule for development and test servers.

In addition, FSC Korea will amend the *Electronic Financial Transactions Act* and its supervisory regulation, with the goal of enforcing the amended rule in 2023. Moreover, the FSC Korea will revise the *Guideline on the Use of Cloud Computing Services in the Financial Sector* which sets out specific procedures and standards for practical reference.

From May 2022, FSC Korea, Financial Supervisory Service (FSS Korea), Financial Security Institute (FSI Korea) and relevant industry groups will jointly run a support team to provide authoritative interpretations of the revised rules, and to promote early adaption to the enhanced system.

[FSC Introduces Improvements to Cloud Computing and Network Separation Rules in Financial Sector](#)

2 Mark-to-Market Valuation on Corporate MMFs

On 1 April 2022, FSC Korea announced that the revision to financial investment business regulation was approved during the 6th regular meeting. The revision aims to gradually introduce the market-to-market valuation method for corporate money market funds (MMFs). From September 2022, the authority will start monitoring the preparation and implementation status of new valuation method on a quarterly basis. The revised Rules took effect on 1 April 2022.

[FSC Approves Rules Change to Gradually Introduce Mark-to-Market Valuation on Corporate MMFs](#)

3 Securities Businesses Dealing with Fractional Investment

On 28 April 2022, FSC Korea issued the *Guideline on Securities Businesses Dealing with Fractional Investment*. To step up the monitoring of the fast-growing industry, the Guideline provides information on the application of the *Financial Investment Services and Capital Markets Act* (FSCMA) and factors that should be taken into account for business operations.

FSC Korea states that the fractional investment products will be evaluated case-by-case comprehensively on the contents of the contract, and the terms of use to determine whether the product qualifies as financial security. Business entities must adhere to the FSCMA and all other applicable regulations if they intend to issue and distribute fractional investment products that are regarded as securities. However, a provisional regulatory exemption can be granted through the financial regulatory sandbox program.

The guideline consists of two key areas:

1. The criteria to determine whether a fractional investment product qualifies as a financial security product; and
2. The factors needed to be considered by fractional investment business when dealing with fractional investment products classified as securities.

The enforcement of fractional investments laws and the application review for designating innovative financial services will be carried out according to this Guideline.

[FSC Unveils Guideline on Securities Businesses Dealing with Fractional Investment](#)

4 Screening and Licensing Plan for MyData Service Providers

On 13 April 2022, FSC Korea announced the 2023 screening and licensing plan for financial MyData service providers. While encouraging more new participants, the authorities will also strengthen the pre-licensing control measures and post-licensing management to protect consumers. Further, applications will be accepted by the authorities at the end of each quarter and screened by external experts to enable more in-depth screening and consultation.

[FSC Announces Screening and Licensing Plan for MyData Service Providers in 2022](#)

Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts

South Korea (2/2)

5 Reviewing Risks in Insurance Sector

On 9 June 2022, FSC Korea held a meeting to review risks in the insurance sector. The meeting primarily examined and addressed the risks and response measures in the insurance sector as the financial environment experiences increasing volatility, due to factors such as interest rate and currency rate rises.

In response to the declining RBC ratios of insurance companies due to steep rate hikes which caused an expanded level of losses on bond valuation, FSC Korea has prepared to provide a buffer to release a portion of surplus that insurance companies may recognise as available capital for calculating risk-based capital (RBC) ratios.

Key risk factors and response measures of FSC Korea include:

1. Prepare a buffer for the declining RBC ratio;
2. Strengthen the management of exchange rate hike; and
3. Ensure basic response capacity through soundness in capital structure.

Following the issuing of a notice of regulations change (from 9 – 20 June) and FSC Korea approval, it is anticipated that the RBC buffer will start to apply as of the calculation of RBC ratios for the end of June period.

[Financial Authorities Hold Meeting to Review Risks in Insurance Sector](#)

6 Revised Entry Barrier for Investing in KONEX Market

In April 2022, the revisions for the operational, disclosure, and listing rules of the Korea New Exchange (KONEX) market and the listing rules of the KOSDAQ market were approved by FSC Korea. The revision follows the measures to revitalise the KONEX market that was implemented in January 2022. Key revisions include:

1. Lowering the barrier of entry for retail investors;
2. Facilitating processes for KONEX-TO-KOSDAQ listing; and
3. Easing rules on the designated advisor system.

Revised KONEX-TO-KOSDAQ rules and share distribution incentives became effective on 2 May 2022, with other revisions effective on 30 May 2022.

The FSC intends to keep working on initiatives to enhance the KONEX market, particularly assessing the market structure holistically to help start-ups and enterprises make the most of the equity market that is appropriate for their growth stage.

[Entry Barrier for Investing in KONEX Market to be Lowered Significantly from End of May](#)

7 Revision Bill to FSCMA

On 27 May 2022, the government approved the revised proposal for the *Financial Investment Services and Capital Markets Act* (FSCMA) for submission to the National Assembly. The revision introduces a new form of venture capital investments vehicle – Business Development Companies (BDCs), which focus on investing in start-ups and innovative companies.

BDCs are required to operate as closed-end funds and invest at least a specified percentage (e.g. 60 percent) of the assets of the fund in start-ups and innovative companies. BDCs are also run as exchange-listed securities to improve their cashability and enable investors to liquidate their investments.

[Government Approves Revision Bill to FSCMA for Introducing Business Development Companies](#)

Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts

Taiwan

1 Policy on Internet-only Insurance Companies

On 11 April 2022, the Financial Supervisory Commission (FSC Taiwan) issued the status update of the internet-only insurance companies policy announced on 21 December 2021. To give interested businesses a legal foundation upon which to establish an internet-only insurance company, FSC Taiwan evaluated the comments received and proposed pertinent legislative revisions. Applicants are required to have feasible business models and product planning in their business plans. The cost-effectiveness of the applicant is also a focus of the application assessment.

[Status of progress of FSC Taiwan's policy on internet-only insurance companies](#)

2 Research Project on Fintech Ecosystem

On 26 April 2022, FSC Taiwan announced an intention to engage the Fintech Co-Creation Platform to solicit a research project to survey on the *Current State and Future Prospects of the Fintech Ecosystem in Taiwan*. Research proposals will start to be accepted by the Fintech Co-Creation Platform following approval of the research project solicitation process from the reviewing committee on 26 April.

The project seeks to obtain a deeper understanding of the current fintech environment and suggestions on potential future policies, with the intention that future fintech-related regulations will be formulated on the basis of the research findings. FSC Taiwan urges stakeholders in the fintech ecosystem to offer their opinions and suggestions throughout the research process, given the crucial role the study will play in developing future policies.

[Fintech Co-Creation Platform Solicit Proposals of a research project](#)

3 Transition Strategies of Sustainable Development for Securities and Futures Sectors

To facilitate securities and futures sectors' sustainable development, FSC Taiwan released the *Transition Strategies of Sustainable Development for Securities and Futures Sectors*. Key objectives of the strategies are:

- To perfect the sustainable ecological system;
- To uphold the trading order and stability of the capital market;
- To strengthen the self-discipline mechanism and resource integration of the securities and futures sectors;
- To improve the securities and futures sectors' operation and business transformation; and
- To protect investors' and traders' rights and to institute fair and friendly services.

FSC Taiwan developed 3 implementation structures, 10 methods, and 27 concrete measures to accomplish these objectives. The 3 implementation structures include:

1. Improving the sustainability governance structure;
2. Exerting the financial intermediary function to facilitate corporate sustainability; and
3. Promoting sustainability information disclosure.

[FSC announces 'Transition Strategies of Sustainable Development for Securities and Futures Sectors'](#)



Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts

Thailand

1 Proposed amendments to the related rules and regulations on the ICO portal and digital token offering

On 1 June 2022, the Securities and Exchange Commission, Thailand (SECT) issued a consultation on the proposed amendments to digital token portal service provider (ICO portal) and digital token offering regulations. The proposed amendments primarily focus on handling conflict of interests during digital token issuing process, and the regulations on outsourcing. In the consultation, the SECT also seeks public comment on proposed rules for ICO portal supervision.

The consultation ends on 23 July 2022.

[SEC Thailand's public hearing on proposed amendments to the related rules and regulations on the ICO portal and digital token offering](#)

2 Proposed changes to the regulatory approach on ready-to-use utility tokens and digital asset exchange supervision

To enhance supervisory rules on the public offering of listed, ready-to-use utility token and digital asset exchange, the SECT published a consultation on 1 June 2022 on the proposed amendments to the regulatory approach.

Under the proposal, obtaining SECT approval and filing a registration statement with a draft prospectus to the SECT office will be mandatory for ready-to-use token issuers, if the token is intended to be listed on a digital asset exchange. The newly issued, ready-to-use utility tokens are required to be offered through SECT-approved ICO portal operator, and they must not to be used as a mean of payment (MOP).

Moreover, the SECT also proposed to include an exemption from SECT approval if a ready-to-use utility token is not listed on the exchange and be qualified as a plain-vanilla or uncomplicated utility token.

The consultation period ended 29 June 2022.

[SEC Thailand's public hearing on proposed changes to the regulatory approach on ready-to-use utility tokens and digital asset exchange supervision](#)

Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

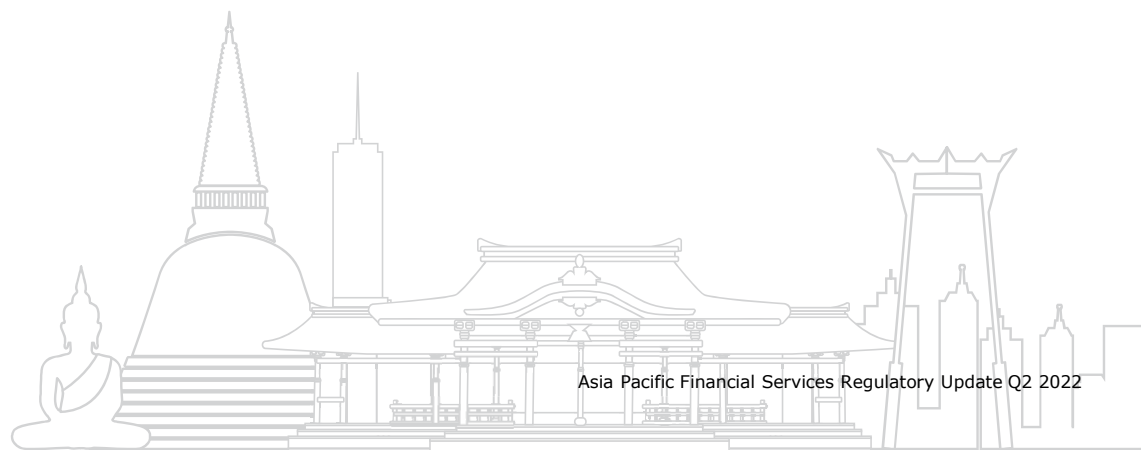
Singapore

South Korea

Taiwan

Thailand

Contacts



Contact



Seiji Kamiya
Executive Sponsor
RA AP Regulatory and Legal Support Leader
seiji.kamiya@tohmatu.co.jp
+81 8034 69 5275



Nai Seng Wong
SEA Co-lead
Partner, SEA Regulatory
Strategy Leader
nawong@deloitte.com
+65 6800 2025



Mike Ritchie
Australia Co-lead
Partner, RA FSI
miritchie@deloitte.com.au
+61 2 9322 3219



Shiro Katsufuji
Japan Co-lead
Managing Director, RA FSI
shiro.katsufuji@tohmatu.co.jp
+81 7064 73 7748



Jaramie Nejal
Operations Lead
Director, RA FSI
Australia
jnejal@deloitte.com.au
+61 2 9322 3877

ACRS Working Group



Ningxin Su
Manager, Coordinator
Hong Kong SAR
nsu@deloitte.com.hk



Siddharth Agarwala
Manager
Singapore
siagarwala@deloitte.com



Lisa Kahlen
Manager
Australia
likahlen@deloitte.com.au



Suleigh Huang
Senior Analyst
Australia
sulhuang@deloitte.com.au



Winifred Lu
Analyst
Hong Kong SAR
winlu@deloitte.com.hk



Eugenia Hui
Consultant
Japan
eugenia.hui@tohmatu.co.jp



Jennifer Martiniak
Associate
Singapore
jemartiniak@deloitte.com

Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts

Acknowledgements

Henry Liang Cao
Partner
Deloitte China

Anthony Crasto
Partner
Deloitte India

Somkrit Krishnamra
Partner
Deloitte Thailand

Catherine Law
Partner
Deloitte New Zealand

Kelly Liu
Partner
Deloitte Taiwan

Justin Ong
Partner
Deloitte Malaysia

Anna Marie Pabellon
Partner
Deloitte Philippines

Richard Ticoalu
Partner
Deloitte Indonesia

Karen Wu
Partner
Deloitte China

Yoo Seok Kang
Executive Director
Deloitte Korea

June Hong Park
Executive Director
Deloitte Korea

Saiful Adli Aziz
Director
Deloitte Malaysia

Cynthia Guo-ya Cai
Director
Deloitte China

Shahrukh Kapadia
Director
Deloitte India

Candy Jia Suo
Director
Deloitte China

Tommy Hartanto
Associate Director
Deloitte Indonesia

Juliette Qi Ting Liu
Associate Director
Deloitte China

Yi Li
Associate Director
Deloitte China

Bonnie Lee
Senior Manager
Deloitte Malaysia

Armand Akee Papa
Senior Manager
Deloitte Philippines

Monai Supanit
Manager
Deloitte Thailand

Shireen Athavale
Assistant Manager
Deloitte India

Devashree Kulkarni
Assistant Manager
Deloitte India

Sung Tae Kim
Senior Consultant
Deloitte Korea

Weirong Tian
Senior Consultant
Deloitte China

Dharma Bratley
Senior Consultant
Deloitte New Zealand

Introduction

Summary

Australia

China Mainland

Hong Kong SAR

India

Indonesia

Japan

Malaysia

New Zealand

Philippines

Singapore

South Korea

Taiwan

Thailand

Contacts



Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organisation”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our global network of member firms and related entities in more than 150 countries and territories (collectively, the “Deloitte organisation”) serves four out of five Fortune Global 500® companies. Learn how Deloitte’s approximately 312,000 people make an impact that matters at www.deloitte.com.

Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL. Members of Deloitte Asia Pacific Limited and their related entities, each of which are separate and independent legal entities, provide services from more than 100 cities across the region, including Auckland, Bangkok, Beijing, Hanoi, Hong Kong, Jakarta, Kuala Lumpur, Manila, Melbourne, Osaka, Seoul, Shanghai, Singapore, Sydney, Taipei and Tokyo.

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Asia Pacific Limited and the Deloitte organisation.

This publication contains general information only.

©2022 Deloitte Touche Tohmatsu

Designed by CoRe Creative Services. RITM0375404