

Asia Pacific Financial Services Regulatory Update

Q2 2023

July 2023

CENTRE *for*
**REGULATORY
STRATEGY**
ASIA PACIFIC

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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 2023.

Regulatory developments relating to **financial crime** were prominent in Q2 2023. Three authorities in Hong Kong SAR updated their respective guidelines on **Anti-Money Laundering and Counter-Terrorist Financing** (AML/CFT). Major updates relate to (i) politically exposed persons (PEPs), (ii) digital identification system and (iii) beneficial owner in relation to a trust. Financial institutions are expected to further strengthen their risk-based approach to AML/CFT. In Vietnam, the Decree related to the law on AML, which covers, for instance, AML risk assessment, criteria for the determination of beneficial owners and details on high-value and complex transactions, was issued and became effective. AML/CFT-related regulations are also being updated in Indonesia, Japan, Philippines, Singapore and New Zealand. In Australia, the regulator announced the development of two national risk assessments relating to AML/CFT-related risks, which is expected to support the effective implementation of the Financial Action Task Force (FATF) standards.

Data and technology is another area on which financial regulators have focused throughout Q2 2023. The Bank of Japan (BOJ) published a report summarising the results from a recently completed proof of concept (Phase II) on potential use cases and technical feasibility of **central bank digital currency** (CBDC), with the BOJ announcing its intention to set up a CBDC forum as one of its next actions.

Other virtual asset-related regulations have been in place. South Korea has approved the Act on the protection of **virtual asset** users that stipulate requirements for virtual asset service providers to comply with. Hong Kong SAR has finalised its regulation on provision of services to retail investors by virtual asset trading platforms (VATPs) that requires VATPs to have safeguards for customer protection in place. There were some developments associated with **IT system/digital operational resilience** in this quarter. In Malaysia, a policy paper on risk management in technology has been updated, under which financial institutions are encouraged to enhance their IT system/digital risk management, including cloud risk management.

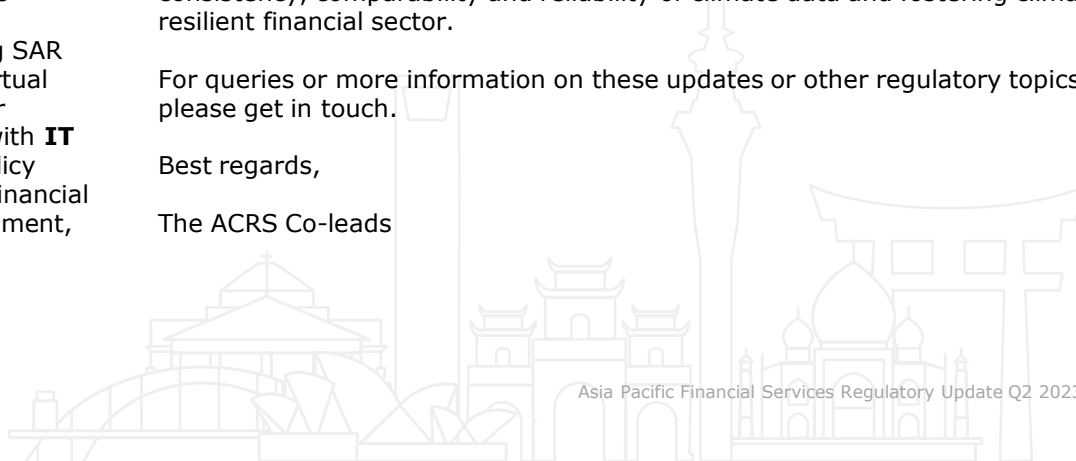
In Australia, the corporate regulator, ASIC, is inviting regulated entities to assess their cyber resilience by completing an online self-assessment survey. The survey will be one of the largest of this nature to be conducted, and ASIC aims to publish a report later this year with key insights, areas of action, and better practices. Supervisors are working on **artificial intelligence** (AI), too. Singapore has started multiple initiatives related to AI, which includes partnership with a private sector company to advance capabilities in generative AI technologies. On the risk management side, South Korea has developed guidelines on the use of AI in the financial sector with the aim of improving credibility of the use of AI in the sector.

Climate change and sustainability continues to be an area of focus throughout the Asia Pacific region. Australia issued a second consultation document on climate-related financial disclosures, following the finalisation of the International Sustainability Standards Board's (ISSB) new global sustainability standards, IFRS S1 and IFRS S2. In Hong Kong SAR, the Hong Kong Monetary Authority (HKMA) issued new guidelines for the second-round of climate risk stress testing. The updated guidelines enhance the testing framework to support comprehensive assessment of financial institutions' exposures to climate risks. Financial institutions will be encouraged to strengthen their climate risk management capabilities, including climate scenario analysis, accordingly. The Stock Exchange of Hong Kong also issued a consultation paper on climate-related disclosures that, once finalised, will require listed companies to disclose such information on a mandatory basis. In Singapore, the Monetary Authority of Singapore (MAS) launched its finance for net zero action plan aiming at, for instance, promoting consistency, comparability and reliability of climate data and fostering climate resilient financial sector.

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

Best regards,

The ACRS Co-leads



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



Taxonomy

1. Governance & Strategic / Reputational Risk
2. Financial Risk
3. Operational Risk
4. 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

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Australia (1/3)

#	Issuing Authority	Title	Regulatory Update	Key Dates
1	APRA	APRA finalises reforms aimed at strengthening recovery and resolution planning	<p>On 18 May 2023, the Australian Prudential Regulation Authority (APRA) finalised new requirements and guidance on Prudential Standard <i>CPS 900 Resolution Planning</i>. Alongside <i>CPS 190 Recovery and Exit Planning</i>, which was finalised in December 2022, these reforms are aimed at strengthening the preparedness of the financial system to respond to crises and manage periods of stress.</p> <p>CPS 900 requires large or complex APRA-regulated entities to support APRA in resolution planning when notified by APRA. The objective of the resolution planning requirements is to protect beneficiaries, minimise disruption to the financial system, and provide continuity of critical functions in the event of failure of a regulated entity. APRA Chair John Lonsdale noted the finalisation of these standards is an important milestone in APRA’s strategy to promote the stability of the Australian financial system.</p> <p>The effective date for CPS 190 is 1 January 2024 for banks and insurers, and 1 January 2025 for RSE licensees (superannuation trustees). CPS 900 will come into effect on 1 January 2024 and be implemented on a case-by-case basis.</p> <p>APRA finalises reforms aimed at strengthening recovery and resolution planning</p>	<p>Effective date for CPS 900: 1 January 2024</p> <p>Effective date for CPS 190: 1 January 2024 (banks and insurers); 1 January 2025 (RSE licensees)</p>
2	ASIC	ASIC releases updated guidance for licensees on reportable situations	<p>On 27 April 2023, ASIC released updated guidance on the notification of reportable situations under Regulatory Guide 78 <i>Breach reporting by AFS licensees and credit licensees</i> (RG 78). Following industry feedback and reports issued to the regulator, ASIC clarified aspects of existing guidance within the regime and provided new guidance in response to operational issues that have arisen.</p> <p>The updates to RG 78 include:</p> <ul style="list-style-type: none"> • a clarification of the circumstances in which licensees may group multiple reportable situations into one report; • new guidance on the information to include when licensees describe a reportable situation; and • new guidance for licensees on ASIC’s expectations when licensees are providing updates related to a reported breach. <p>The updates to RG 78 are intended by ASIC to reduce regulatory burden and support the use of data for regulatory and public reporting purposes. ASIC is also making minor changes to the prescribed form for lodging reportable situations, effective 5 May 2023.</p> <p>ASIC releases updated guidance for licensees on reportable situations ASIC</p>	<p>Effective date of changes: 5 May 2023</p>
3	APRA	APRA releases amendments on minimum capital requirements for PPF providers	<p>On 19 May 2023, APRA released a letter in response to the consultation on proposed amendments to the minimum capital requirements for purchased payment facilities (PPF) providers. The letter outlines amendments to <i>APS 610 Prudential Requirements for Providers of Purchased Payment Facilities</i> (APS 610), that will align capital requirements for PPF providers more closely with the broader capital framework for other APRA-regulated industries.</p> <p>These amendments are considered an interim measure in advance of a broader APS 610 review, which will be included in more comprehensive reforms to the regulatory framework for stored-value facilities.</p> <p>APRA releases amendments on minimum capital requirements for PPF providers APRA</p>	-

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4	AUS Treasury	Changes to Buy Now Pay Later regulation	<p>On 22 May 2023, the Assistant Treasurer and Minister for Financial Services Stephen Jones announced reforms to the Buy Now, Pay Later (BNPL) sector. After industry consultation in 2022 on regulatory options for these products, the Commonwealth will amend legislation to regulate BNPL as credit products.</p> <p>Under the plan, BNPL providers will be required to:</p> <ul style="list-style-type: none"> • hold Australian Credit Licences; • comply with Responsible Lending Obligations; • meet statutory dispute resolution and hardship requirements; and • meet a range of other requirements in relation to their conduct, and in relation to their products. <p>Address to the Responsible Lending & Borrowing Summit Treasury</p>	-
5	ASIC APRA	ASIC invites Australian entities to assess their cyber resilience	<p>On 13 June 2023, ASIC invited organisations to participate in an anonymous survey to help evaluate Australia’s cyber resilience in its corporate and financial markets. ASIC aims to bolster the cyber capabilities of Australian financial services and markets, expecting organisations to have risk management frameworks which adequately address cybersecurity risk and establish controls that enhance cyber resilience. This survey comes as APRA, in a letter to industry published 26 May 2023, re-emphasised the importance of using multi-factor authentication as an effective tool in preventing unauthorised access to information.</p> <p>The survey by ASIC has been designed to assess an entity’s ability to:</p> <ul style="list-style-type: none"> • control organisational-wide cyber risks; • identify and protect information assets supporting critical business services; and • detect, respond to, and recover from cyber security incidents. <p>The survey will be one of the largest of this nature to be conducted, and ASIC aims to publish a report later this year with key insights, areas of action, and better practices.</p> <p>ASIC invites Australian entities to assess their cyber resilience ASIC APRA clarifies expectations on use of multi-factor authentication APRA</p>	-
6	ASIC	ASIC calls on super trustees to improve regulatory compliance	<p>On 26 June 2023, ASIC called on superannuation trustees to ensure incoming monies from customers are appropriately handled. This follows ASIC’s review into twelve superannuation trustees that found issues including the use of non-compliant accounts to hold money and a failure to retain funds for the required amount of time. These issues have been communicated to the trustees reviewed to ensure the appropriate changes are implemented to achieve full compliance. ASIC has also emphasised the role of auditors in assisting the timely identification and address of compliance issues.</p> <p>On 29 June 2023, ASIC also called on superannuation trustees to improve their efforts in consolidating duplicate member accounts. A separate ASIC review of nine trustees covering both industry and retail funds found ineffective processes were common, and that customers were paying unnecessary fees by holding multiple accounts.</p> <p>ASIC calls on super trustees to appropriately deal with member money when it is first received ASIC ASIC warns super trustees to boost efforts to consolidate duplicate member accounts ASIC</p>	-

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#	Issuing Authority	Title	Regulatory Update	Key Dates
7	AUSTRAC	New guidance released on 'debanking'	<p>On 27 June 2023, AUSTRAC released new guidance on 'debanking', the practice of financial institutions declining or limiting financial services to businesses across entire sectors that are assessed as higher money laundering and terrorism financing (ML/TF) risk. The guidance seeks to clarify the role of financial institutions and affected businesses in the appropriate balance of risk management and financial inclusion. Debanking has become more frequent over the past decade, and can have a devastating impact on legitimate businesses.</p> <p>The guidance issued by AUSTRAC aims to:</p> <ul style="list-style-type: none"> assist financial institutions in understanding regulator expectations when providing services to businesses considered higher risk; and encourage organisations in affected sectors to engage openly with financial institutions and demonstrate the steps taken to address relevant risks. <p>AUSTRAC discourages the indiscriminate and widespread closure of accounts across entire industries, as the effect of debanking increases the risk of ML/TF across the wider economy.</p> <p>New guidance released on debanking AUSTRAC</p>	-
8	AUSTRAC	New national risk assessments in development	<p>On 27 June 2023, AUSTRAC announced the development of two national risk assessments to demonstrate Australia's understanding of its ML/TF risks. These assessments will support the Financial Action Task Force (FATF) in monitoring the effective implementation of the FATF standards.</p> <p>The risk assessments aim to:</p> <ul style="list-style-type: none"> identify, assess and understand the current and emerging risks facing Australia domestically and internationally; provide evidence for policy and operational responses to identified threats; provide guidance on the scale and impact of identified ML/TF risks; and provide representation across the collective understanding of all national authorities. <p>The terrorism financing national risk assessment is scheduled for completion later in 2023, and the money laundering national risk assessment in early 2024.</p> <p>New national risk assessments in development AUSTRAC</p>	<p>Finalisation of the terrorism financing national risk assessment: Early 2023</p> <p>Finalisation of the money laundering national risk assessment: Early 2024</p>
9	AUS Treasury	Climate-related financial disclosure: Second consultation	<p>On 27 June 2023, following finalisation of the IFRS S1 and IFRS S2 standards on 26 June 2023, the Australian Treasury published a second Consultation Paper on Climate-Related Financial Disclosures. The objective of the second consultation is to ensure the new requirements under IFRS S1 and S2 are "proportionately targeted and provide sufficient clarity as to the requirements of the regime." The Treasury is seeking views on whether the proposed positions on coverage, content, framework, and liability are workable.</p> <p>This follows a commitment by the Australian Government in 2022 to standardise and internationally align disclosure of climate-related financial risks and opportunities for large-listed entities and financial institutions. From November 2022 – February 2023, Australia reinforced this commitment by issuing two consultation papers relating to Sustainability standards and Climate-related financial disclosures.</p> <p>Climate-related financial disclosure: Second consultation Treasury</p>	<p>Consultation ended 21 July 2023</p>

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#	Issuing Authority	Title	Regulatory Update	Key Dates
1	The State Council – The People’s Republic of China	China establishes national financial regulatory administration	<p>On 18 May 2023, the National Administration of Financial Regulation (NAFR) was officially launched and will serve as Mainland China’s new financial regulator. The NAFR has replaced the China Banking and Insurance Regulatory Commission (CBIRC) and is under direct supervision of the State Council.</p> <p>The new administration oversees and regulates the financial industry, with exception of the securities sector. The NAFR also takes over certain functions of the People’s Bank of China (PBOC) and the China Securities Regulatory Commission (CSRC).</p> <p>China establishes national financial regulatory administration</p>	Launched 18 May 2023
2	CBIRC	2022 Annual Insurance Company Solvency Risk Management Assessment (SARMRA) Results	<p>On 12 April 2023, the CBIRC released the results of the 2022 Annual Insurance Company Solvency Risk Management Assessment (SARMRA), emphasising its importance in improving insurance companies’ risk management levels and enhancing the industry’s ability to prevent and resolve risks.</p> <p>In 2022, the CBIRC conducted an on-site assessment of 70 insurance companies, resulting in an average score of 77.44, which is 1.41 higher than in the previous review. The results indicate that insurance companies have been consistently enhancing their risk management practices, and most of these insurers are establishing relatively comprehensive risk management frameworks and systems and suitable risk management mechanisms.</p> <p>However, the results also revealed shortcomings of certain insurers in risk management, such as failure to adapt their risk management system to their unique circumstances, a lack of attention to risk management from senior management, and insufficient personnel in the risk control department. Additionally, some insurers have insufficient “look-through” management of non-standard assets, inadequate development of risk management systems and a lack of proficiency in using risk management tools.</p> <p>As the next step, the CBIRC will continue strengthening the function supervision and the look-through supervision of the insurance industry.</p> <p>CBIRC released the 2022 Annual Insurance Company Solvency Risk Management Assessment (SARMRA) Results</p>	-
3	CSRC	CSRC solicits opinions on “Regulations on the Supervision and Administration of Securities Companies”	<p>On 31 March 2023, the CSRC launched a consultation on the revisions to <i>Regulations on the Supervision and Administration of Securities Companies</i>. The consultation aims to facilitate high-quality securities industry development, enhance the quality and efficiency of serving the real economy, modernise financial supervision, prevent systemic risks, and construct a modern capital market with Chinese characteristics.</p> <p>The CSRC proposed amendments relating to 6 aspects, including:</p> <ul style="list-style-type: none"> • Implement the new Securities Law; • Strengthen requirements for shareholders and actual controllers of securities companies, and standardise corporate governance; • Establish appropriate incentive and restraint mechanism; • Supplement business rules, insert three new sections on securities underwriting and sponsorship, market-making transactions, and over-the-counter (OTC) business; • Strengthen compliance risk control, improve the internal and external restraint mechanism; and • Optimise supervisory methods and improve efficiency. <p>CSRC solicits opinions on “Regulations on the Supervision and Administration of Securities Companies”</p>	Consultation ended on 30 April 2023

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#	Issuing Authority	Title	Regulatory Update	Key Dates
4	CBIRC	CBIRC Strengthens Financial and Accounting Supervision to Promote Safe Implementation of Two New Standards for Insurance Companies	<p>On 25 April 2023, the CBIRC announced that listed insurance companies are ready to implement the following new accounting standards effective on 1 January 2023:</p> <ul style="list-style-type: none"> • <i>Accounting Standard for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments</i> dated March 2017; and • <i>Accounting Standard for Business Enterprises No. 25 – Insurance Contracts</i> dated December 2020. <p>Compared with the original standards, key changes are:</p> <ul style="list-style-type: none"> • Recognition and Measurement of Financial Instruments - <ul style="list-style-type: none"> ○ Revised the four financial assets classifications to three classifications, including financial assets measured at amortised cost, financial assets measured at fair value with changes recognised in other comprehensive income, and financial assets measured at fair value with changes recorded in profit or loss in the current period; and ○ Financial assets impairment provision has been changed from the "incurred loss method" to the "expected credit loss method", which involves the expected credit risk loss estimated based on historical loss information, current information, and future forecast information to make impairment provisions. • Insurance Contracts – <ul style="list-style-type: none"> ○ Revenue recognition under the new standard for premium collection occurs periodically throughout the insurance period and does not include the cash value component; ○ Spot Treasury yield curve will be used as the discount rate under the new standard, impact of yield curve changes will be included in owner's equity; and ○ New standard distinguishes underwriting performance and return performance based on profit source. The two new standards introduced new requirements on internal management, financial accounting, and performance appraisal of insurance companies. <p>CBIRC Strengthens Financial and Accounting Supervision to Promote Safe Implementation of Two New Standards for Insurance Companies</p>	Effective 1 January 2023
5	NAFR	The NAFR held the Solvency Supervision Committee Working Meeting	<p>On 22 May 2022, the NAFR held its solvency supervision committee working meeting to review the overall solvency and risk of key entities in the insurance industry and examine the comprehensive risk rating results for Q1 2023</p> <p>By the end of Q1 2023, the average comprehensive solvency adequacy ratio of the 185 insurance companies included in the meeting was 190.3%, with an average core solvency adequacy ratio of 125.7%. The actual capital was 4.7 trillion yuan, while the minimum capital requirement was 2.47 trillion yuan.</p> <p>The risk rating concluded 53 insurance companies were rated A, 105 were rated B, 16 were rated C, and 11 were D, and the comprehensive risk rating remained stable.</p> <p>The NAFR held the Solvency Supervision Committee Working Meeting</p>	-
6	CSRC	CSRC 2023 Legislative Work Plan	<p>On 14 April 2023, the CSRC issued the annual legislative work plan and made 2023 legislative work arrangements. The CSRC has determined two main themes of the annual work plan, including regulating the behaviour of market players and implementing the relevant requirements of the <i>Futures and Derivatives Rule</i>.</p> <p>CSRC issued the 2023 Legislative Work Plan</p>	

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#	Issuing Authority	Title	Regulatory Update	Key Dates
7	PBOC	PBOC and SAFE Further Optimise Policies for MNCs on Centralised Operation and Management of Cross-border RMB and Foreign Currency Funds	<p>On 19 May 2023, the PBOC and the State Administration of Foreign Exchange (SAFE) announced the launch of pilot programs in Beijing, Guangdong and Shenzhen to enhance and upgrade the policies of centralised operation and management of cross-border RMB and foreign currency funds of multinational corporations (MNCs). Key contents include:</p> <ul style="list-style-type: none"> • Optimised existing policy requirements on the centralised operation of cross-border funds of MNCs; • Relaxed cross-border funds requirements to allow MNCs to determine the proportion of funds to be swept in from their external debt and overseas lending quotas, with consideration for macro-prudential principles; • MNCs will be encouraged to use the RMB to conduct centralised operations of cross-border funds; and • Simplified filing procedures and the reviews of submissions on fund use. <p>PBOC and SAFE Further Optimise Policies for MNCs on Centralised Operation and Management of Cross-border RMB and Foreign Currency Funds</p>	-
8	CSRC	Guidance to stock exchange to issue guidelines to improve key components of REITs asset review and information disclosure requirements	<p>On 12 May 2023, the CSRC issued guidance for stock exchanges to revise their guidelines for reviewing concerns of Real Estate Investment Trusts (REITs) following the deployment of the <i>Opinions of the General Office of the State Council on Further Revitalising Existing Assets</i> and work arrangements relevant to <i>Further Promoting the Normalisation of the Issuance of REITs</i>.</p> <p>The CSRC aims to strengthen the information disclosure requirements, clarify standards for two major asset categories (i.e., industrial parks and toll roads), and accelerate the pace of issuance and listing to facilitate the high-quality REITs market development. Key contents include:</p> <ul style="list-style-type: none"> • Clarified requirements for product design, project review, and information disclosure through an in-depth summary of the pilot experience; and • Based on the current review and disclosure requirements of REITs, the Opinion refined the key focus areas in reviewing the two major asset categories, taking into account industry specificities of the industrial parks, toll roads and other large asset types. <p>The CSRC will continue to guide stock exchanges in improving REITs information disclosure systems. Further, the CSRC will gradually introduce new asset categories while establishing transparent and predictable review and registration criteria, and prioritising asset and project operation quality.</p> <p>Guidance to stock exchange to issue guidelines to improve key components of REITs asset review and information disclosure requirements</p>	-
9	CSRC	CSRC solicits opinions on Measures for the Administration of Futures Practitioners	<p>On 14 April 2023, the CSRC launched a consultation on the revised <i>Measures for the Administration of Futures Practitioners</i>. The revisions aim to align with the <i>Futures and Derivatives Rule of the People's Republic of China</i> and to accommodate the practical supervision of futures practitioners. Key revisions are:</p> <ul style="list-style-type: none"> • Removed professional qualification management requirements, and introduced transitional arrangements; • Imposed additional prohibition on futures practitioners; and • Inserted new chapter on management responsibilities of institutions, clarified requirements for futures practitioners such as qualification management, training, remuneration management etc. <p>CSRC solicits opinions on Measures for the Administration of Futures Practitioners</p>	Consultation ended on 14 May 2023

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#	Issuing Authority	Title	Regulatory Update	Key Dates
1	HKMA	Consultation on Basel III final reform package – miscellaneous amendments to Banking (Capital) Rules	<p>On 15 June 2023, the HKMA launched a consultation on the proposed amendments to <i>Banking (Capital) Rules for Countercyclical Capital Buffer</i> and miscellaneous items (set out in Part 2 in Annex). The consultation ended on 14 July 2023.</p> <p>Consultation Annex</p>	Consultation ended on 14 July 2023
2	HKMA	Consultation on the implementation of Basel III final reform package – credit risk and output floor	<p>On 31 May 2023, the HKMA launched a consultation on the revisions to the <i>Banking (Capital) Rules</i> (entitled <i>Banking (Capital)(Amendment) Rules 2023 (BCAR)</i>) for the implementation of the Basel III final reform package – credit risk and output floor, covering:</p> <ul style="list-style-type: none"> • Commencement arrangements for BCAR; • Amendments for implementation of the revised credit risk framework and output floor; • Amendments to credit risk framework consequential to the implementation of the revised market risk and CVA risk framework; • Haircut floor requirements for non-centrally cleared SFTs; and • Amendments that are intended to be effective on 1 January 2024, including the new capital treatments for IPO financing. <p>The consultation ended on 14 July 2023. The amended Rules expects to become effective no earlier than 1 January 2024.</p> <p>Consultation Annex 1 Consultation Annex 2</p>	Consultation ended on 14 July 2023
3	HKMA	Consultation on Review of the Three-Tier Banking System	<p>On 26 June 2023, the HKMA issued a consultation paper on the <i>Review of the Three-Tier Banking System</i> for public consultation. The consultation paper presents the results of the HKMA’s review of Hong Kong’s three-tier banking system and a proposal to simplify the system.</p> <p>In light of the growing complexity of the current three-tier system (consisting of licensed banks (LBs), restricted licence banks (RLBs), deposit-taking companies (DTCs)), the HKMA noted the difficulties in balancing the flexibility of entering the banking system and small depositor protection under the current system. Therefore, the HKMA is proposing to simplify the banking system from a three-tier system to a two-tier system, by merging DTCs with RLBs, resulting in the establishment of a new second tier. Meanwhile, LBs will remain unchanged as the first tier. The HKMA also proposed a 5-year transition period to invite and encourage existing DTCs to upgrade to RLBs or LBs. The consultation paper is also requesting feedback on requirements such as the proposed minimum capital requirements, minimum deposit size requirements and real-time gross settlement (RTGS) system arrangements.</p> <p>Consultation on Review of the Three-Tier Banking System Press Release: Consultation begins on Review of Three-Tier Banking System</p>	Submissions are open until 25 September 2023

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#	Issuing Authority	Title	Regulatory Update	Key Dates
4	HKMA	Second Round Climate Risk Stress Test	<p>On 21 April 2023, the HKMA issued new guidelines for the second-round climate risk stress test (CRST). Building upon the 2021 pilot CRST experience, the HKMA enhanced the CRST framework to comprehensively assess authorised institutions (AIs) exposure to climate risk. Additionally, the HKMA intends to strengthen AIs' climate risk management capabilities with the CRST. The enhancements were made in respect of various aspects, including climate scenarios, assumptions, assessment approaches and reporting requirements. Key enhancements are:</p> <ul style="list-style-type: none"> Introduced a 5-year (2023 - 2027) short-term scenario to assess the impact of concurrent economic and climate-related shocks on participating AIs, and three long-term scenarios developed by the Network of Central Banks and Supervisors for Greening and Financial Systems (NGFS) covering orderly, disorderly and limited transition respectively. Revised assessment requirements, including to cover exposures generally considered less vulnerable to climate change, in addition to the highly vulnerable. Participating AIs shall follow a specified approach to segment their exposures. While the requirement to adopt a static balance sheet assumption remains unchanged, participating AIs will be allowed to modify their portfolio based on the long-term NGFS transition scenarios to incorporate their climate objectives; and Developed more detailed reporting standard for each scenario. The revised standards comprise a broader range of metrics to provide additional granularity concerning risk factors, business sectors, and geographical locations. <p>The second round of CRST will take place from June 2023 – June 2024, to align with the HKMA's supervisor-driven stress testing (SDST) cycle and reduce participating AIs' reporting burden.</p> <p>Circular: Climate Risk Stress Test Guidelines for Banking Sector Climate Risk Stress Test</p>	<p>Submission dates:</p> <p>Short-term scenario:</p> <ul style="list-style-type: none"> Participating AIs that are expected to conduct regular short term scenario stress testing in 2023 – 31 December 2023 Other participating AIs – 30 June 2024 <p>Long-term scenario: 30 June 2024</p>
5	HKEX	HKEX Publishes Consultation Paper on Enhancement of Climate Disclosure Under Its ESG Framework	<p>On 14 April 2023, the Stock Exchange of Hong Kong Limited (HKEX) launched a consultation on the proposed enhancement to HKEX's climate-related disclosure under the ESG framework. Under the enhanced framework, climate-related disclosures will become mandatory for listed issuers in ESG reports. In addition, the HKEX also introduced a new set of climate-related disclosure requirements in the enhanced framework to align with ISSB standards. For the financial sector, the proposed enhancements were intended to support the Hong Kong Green and Sustainable Finance Cross Agency Steering Group's (CASG) commitment to implement mandatory TCFD-aligned disclosures by 2025.</p> <p>The proposed climate-related disclosure consists of four core pillars, including:</p> <ul style="list-style-type: none"> Governance – climate-related risk and opportunities governance process, controls and procedures. Strategy – climate-related risk and opportunities, transition plans, climate resilience and strategy, and financial effects of climate-related risks and opportunities. Risk Management – climate-related risk management process, and opportunities if applicable. Metrics and Targets – GHG emissions, other cross-industry metrics, internal carbon price, remuneration and industry-based metrics. <p>The consultation ended on 14 July 2023. The proposed enhancements are expected to become effective on 1 January 2024, pending consultation responses.</p> <p>Exchange Publishes Consultation Paper on Enhancement of Climate Disclosure Under Its ESG Framework Consultation paper on enhancement of climate disclosure under its ESG framework</p>	<p>Consultation closed on 14 July 2023.</p>

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#	Issuing Authority	Title	Regulatory Update	Key Dates
6	HKMA	Green Classification Framework	<p>On 30 May 2023, the HKMA released the discussion paper titled <i>Prototype of a Green Classification Framework for Hong Kong</i> to consult stakeholders on the development and application of the local green classification framework (i.e. Taxonomy). To support the advancement of green and sustainable finance in Hong Kong, the CASG intends to develop a green taxonomy for the Hong Kong financial sector, and to facilitate interoperability with other major taxonomies including the Common Ground Taxonomy (CGT), and the taxonomies of Mainland China and the European Union.</p> <p>The Prototype will enable investors to identify and invest in activities with positive environmental impact, align investment decisions with climate goals and reduce the risk of investments that do not align with low-carbon objectives.</p> <p>In addition, the green taxonomy aims to provide a three-layered of depth to provide green definitions:</p> <ul style="list-style-type: none"> • Layer 1 – Mapping activities to standardise industrial classification code and categorise activities based on whether they are universally considered as green or partially green; • Layer 2 – Identifying key metrics based on existing global guidance and other taxonomies; and • Layer 3 – Proposing technical screening criteria. <p>The HKMA aims to finalise the Prototype and conclude the consultation by Q3 2023. The consultation ended on 30 June 2023.</p> <p>Circular: Prototype of a Green Classification Framework for Hong Kong Discussion Paper - Prototype of a Green Classification Framework for Hong Kong</p>	Consultation period ended on 30 June 2023
7	HKMA SFC IA	Updated Guidelines on Anti-Money Laundering and Counter-Terrorist Financing	<p>Following the commencement of AMLO, on 25 May 2023, the HKMA, SFC HK, and Hong Kong Insurance Authority (IA) issued the <i>revised Guidelines on Anti-Money Laundering and Counter-Terrorist Financing (AML/CFT Guidelines)</i> for AIs, insurance institutions and licensed corporations and associated entities. Regulated entities are expected to review the AML/CFT Guidelines and implement appropriate measures to align with the risk-based approach. Major amendments relates to politically exposed persons (PEPs), digital identification system, beneficial owner in relation to a trust, as well as other relevant amendments.</p> <p>In addition, the HKMA published the updated AML guidelines for stored value facility licensees under section 54(1A)(b) of the <i>Payment Systems and Stored Value Facilities Ordinance</i>.</p> <p>All revised guidelines became effective on 1 June 2023.</p> <p>Amendments to Guideline on Anti-Money Laundering and Counter Financing of Terrorism (For Authorised Institutions) Amendments to Guideline on Anti-Money Laundering and Counter-Financing of Terrorism (For Stored Value Facility Licensees) Amendments to Anti-Money Laundering and Counter-Financing of Terrorism Guidelines Amendments to the Guideline on Anti-Money Laundering and Counter-Terrorist Financing & Frequently Asked Questions in relation to Anti-Money Laundering and Counter-Terrorist Financing</p>	1 June 2023

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#	Issuing Authority	Title	Regulatory Update	Key Dates
8	SFC HK	SFC concludes consultation on regulation of virtual asset trading platforms	<p>On 23 May 2023, the Hong Kong Securities and Futures Commission (SFC HK) released the <i>Consultation Conclusion on the Proposed Regulatory Requirements for Virtual Asset Trading Platform Operators Licensed by the Securities and Futures Commission</i> following public consultation in February 2023.</p> <p>The consultation focused on whether to allow licensed trading platforms to provide services to retail investors (retail investors are defined as “any person other than a professional investor”), and the majority of responses welcomed the proposal to allow retail access. In response, the SFC HK will allow licensed VA trading platforms (VATPs) to provide services to retail investors and implement various investor protection measures prior to offering their services to retail investors. Moreover, the SFC HK stated the importance of retail investors understanding the risks of virtual asset investment, including product features and risks and expected losses before making investment decisions.</p> <p>SFC concludes consultation on regulation of virtual asset trading platforms</p>	-
	SFC HK	Implementation of new licensing regime for virtual asset trading platforms	<p>On 31 May 2023, the SFC HK issued a circular on the relevant guidelines and documents to assist license applicants to comply with new regulatory regime for centralised virtual asset trading platforms under the <i>Anti-money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615)</i> (AMLO), commenced on 1 June 2023. Key details are as follows:</p> <p>Guidelines for Virtual Asset Trading Platform Operators</p> <ul style="list-style-type: none"> The Guidelines specify safe custody of assets, segregation of client assets, avoidance of conflicts of interest, cybersecurity standards and other relevant guidelines that licensed platforms should adhere to; The Guidelines apply to all platform operators (licensed under the SFO and/or the AMLO) when providing “Relevant Activities” (as defined in 1.1). <p>Other relevant documents include AML/CFT guidelines, licensing handbook and frequently asked questions:</p> <ul style="list-style-type: none"> Guideline on Anti-Money Laundering and Counter-Financing of Terrorism (For Licensed Corporations and SFC-licensed Virtual Asset Service Providers) Prevention of Money Laundering and Terrorist Financing Guideline issued by the Securities and Futures Commission for Associated Entities of Licensed Corporations and SFC-licensed Virtual Asset Service Providers Licensing Handbook for Virtual Asset Trading Platform Operators FAQs on VATP licensing-related matters; and FAQs on VATP conduct-related matters <p>All related documents, information and regulatory requirements and guidance materials can be accessed via the SFC HK’s new virtual assets webpage.</p> <p>Circular on implementation of new licensing regime for virtual asset trading platforms Virtual assets webpage</p>	1 June 2023

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#	Issuing Authority	Title	Regulatory Update	Key Dates
8	SFC HK	Transitional arrangements of the new licensing regime for virtual asset trading platforms	<p>On 31 May 2023, the SFC HK issued a circular outlining transitional arrangements for the new VA trading platforms licensing regime under the AMLO. The arrangements allow pre-existing VATPs offering VA services prior to 1 June 2023 to apply for a license under the new regime, and provides additional time for pre-existing VATPs to review and revise their existing systems and control to conform to relevant regulations. The SFC HK requires the pre-existing VATPs to submit their licensing application no later than 29 February 2024. If a VATP license applicant does not satisfy any of the deeming conditions, the SFC HK may issue a "no-deeming notice", and the VATP will be subject to a deemed withdrawal procedure to close down its business by 31 May 2024 or within three months of receiving the notice, regardless of whether it has objected to the withdrawal of its license application.</p> <p>The transitional arrangements in the circular are applicable to VATPs providing non-security tokens only. VATPs that plan to provide security token trading services will be subject to the securities law of Hong Kong, and must obtain relevant licenses under the <i>Securities and Futures Ordinance</i>.</p> <p>Circular on transitional arrangements of the new licensing regime for virtual asset trading platforms</p>	Effective 1 June 2023
9	SFC HK	Circular to Licensed Corporations Data Risk Management, and Management of Operational and Remote Booking Risks of Trading Activities	<p>On 30 March 2023, the SFC HK issued two circulars on data risk management and operational risk management standards for LCs, covering the SFC HK's expectations on risk governance, controls and monitoring. Along with the standards, the SFC HK also released reports on the thematic review of risk management practices related to operational and remote booking risks of trading activities and data risk, providing detailed guidance to help LCs refine their risk management processes.</p> <p>LCs are expected to put in place a sound risk governance framework. The risk governance framework should include a clear definition of senior management's responsibilities and accountability. LCs are also expected include the following in their risk governance framework with respect to specific risk areas:</p> <p><u>Data risk management:</u></p> <ul style="list-style-type: none"> Put in place structured protocols for handling and reporting data risk in a risk governance framework. Keep appropriate controls and monitoring in place in the management of data lifecycle and the use of third-party service providers. <p><u>Operational risk management:</u></p> <ul style="list-style-type: none"> Develop a mechanism to regularly review the adequacy and effectiveness of the operational risk management framework. Kepp appropriate operational controls and monitoring practices in place to detect and prevent errors, omissions, or misconduct in trading activities. <p><u>Remote booking risk management:</u></p> <ul style="list-style-type: none"> Include a mechanism to coordinate with group affiliates in developing risk management policies and risk assessment on remote booking arrangements. Ensure appropriate controls and monitoring for: <ul style="list-style-type: none"> booking positions to group affiliates, including trading mandates, system access controls and risk limits; and loss allocation controls and monitoring for transfer pricing arrangements. <p>Circular to licensed corporations data risk management Circular to licensed corporations Management of operational and remote booking risks of trading activities</p>	-

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#	Issuing Authority	Title	Regulatory Update	Key Dates
10	HKMA	HKMA issues Policy Documents to enhance payment card consumer protection	<p>Throughout Q2, the HKMA has issued several policy documents to enhance payment card customer protection in light of the growing number of payment card frauds and scams. Key documents are:</p> <ul style="list-style-type: none"> • <i>Principles for Handling of Unauthorised Payment Card Transactions</i>, setting out the principles AIs that are card issuers must comply with when handling unauthorised payment card transactions and disputes. • <i>Binding Payment Cards for Contactless Mobile Payments</i>, outlining the requirements for AIs to enhance security controls over binding payments, such as the implementation of additional authentication when cardholders bind their cards with new payment services. AIs are required to comply with the new requirements by 31 May 2023. • <i>Major Enhancements on Protection of Payment Card Customer</i>, outlining the key enhancement areas for payment card issuers after industry consultation. Key areas are empowerment; support, communication and education; unauthorised transaction handling and security; and responsible borrowing. Non-systemic changes will take effect by the end of June 2023. Requirements involving system changes take effect by the end of 2023. • <i>Consumer Protection Charter</i>: On 29 June 2023, the HKMA launched of the <i>Anti-Scan Consumer Protection Charter</i>, alongside the Hong Kong Association of Banks (HKAB). The Charter was developed to raise public awareness of credit card and personal information protection. All 23 credit card issuing banks and 15 merchants in Hong Kong have committed to the Charter, which prohibits participating institutions from sending instant electronic messages containing hyperlinks to gather personal and credit card information. <p>Principles for Handling of Unauthorised Payment Card Transactions Binding payment cards for contactless mobile payments Major Enhancements on Protection of Payment Card Customers Anti-Scan Consumer Protection Charter</p>	<p>Binding Payment Cards for Contactless Mobile Payments:</p> <ul style="list-style-type: none"> • AIs to comply by 31 May 2023. <p>Major Enhancements on Protection of Payment Card Customer:</p> <ul style="list-style-type: none"> • Non-systemic change: Effective end of June 2023 • Systemic change: Effective end of 2023
11	HKMA	AML Regtech: Network Analytics	<p>On 9 May 2023, the HKMA published a report titled <i>AML Regtech: Network Analytics</i>, supported by Deloitte. The report outlines the potential of combining intelligence-led analytics tools with rules-based monitoring systems to improve banks' practices in the prevention, detection and disruption of financial crime. The report includes insights and perspectives from banks with experience in using network analytics, providing practical guidance for readers.</p> <p>As part of its Fintech 2025 strategy, the HKMA will continue to facilitate innovation and encourage RegTech adoption by banks to address deception within the ecosystem.</p> <p>AML Regtech: Network Analytics</p>	

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#	Issuing Authority	Title	Regulatory Update	Key Dates
1	SEBI	Introduction of Legal Entity Identifier (LEI) for issuers who have listed and/ or propose to list non-convertible securities, securitised debt instruments and security receipts	<p>On 3 May 2023, the Securities and Exchange Board of India (SEBI) issued a circular on the <i>Introduction of Legal Entity Identifier (LEI) for issuers who have listed and/ or propose to list non-convertible securities, securitised debt instruments and security receipts</i>, with immediate effect.</p> <p>As required by the Reserve Bank of India (RBI), non-individual borrowers with an aggregate exposure above Rs. 25 crores must obtain a legal entity identifier (LEI) code by 1 September 2023. The SEBI has informed that entities can obtain the LEI code from any of the local operating units accredited by the Global Legal Entity Identifier Foundation. The LEI code may also be obtained from the Legal Entity Identifier India Ltd, which is a Clearing Corporation of India Limited (CCIL) subsidiary recognised by the RBI.</p> <p>Introduction of Legal Entity Identifier (LEI) for issuers who have listed and/ or propose to list non-convertible securities, securitised debt instruments and security receipts</p>	Effective 3 May 2023
2	SEBI	SEBI (Issue of Capital and Disclosure Requirements) (Second Amendment) Regulations, 2023	<p>On 23 May 2023, the SEBI issued the <i>Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2023</i> to amend the <i>Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018</i>, with immediate effect.</p> <p>The amending regulations introduced new provisions and requirements relating to underwriting, online availability of material documentations, bonus issue announcements and dematerialised allotment of shares. Key amendments are:</p> <ul style="list-style-type: none"> • Reference of "the issuer" has been added in the regulations wherever required; • Amendments to regulation 40 and 136 relating to underwriting framework in book-built issues; • Amendments to 10(A) of Part-A and 11(A) of Part-B-1 of Schedule VI relating to disclosures in the offer document, abridged prospectus, and abridged letter of offer; • Amendments to clause 18(3) in Part A and clause 22(B) in Part B-1 of Schedule VI relating to material contracts and material documents; and • Amendments to wordings in clause 3 and clause 10 of Part A of Schedule XIII. <p>SEBI (Issue of Capital and Disclosure Requirements) (Second Amendment) Regulations, 2023</p>	Effective 23 May 2023

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#	Issuing Authority	Title	Regulatory Update	Key Dates
3	SEBI	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	<p>On 14 June 2023, the SEBI issued the <i>Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 (SEBI LODR)</i>. The second amendment includes changes to existing regulations governing the listing obligations and disclosure requirements for listed entities. Some key amendments and new regulations are:</p> <ul style="list-style-type: none"> • Inserted a new definition of “mainstream media”; • Extension of the deadline for high-value debt listed entities to comply with regulation 15 – 27 of SEBI LODR to 31 March 2024; • Amended regulation 17 regarding the appointment or reappointment of any person on the Board of Directors; • Inserted new regulation - Regulation 26A on vacancies in respect of certain key managerial personnel; • Amended regulation 27(2)(ba) on reporting requirement in quarterly corporate governance report; • Additional requirements inserted in regulation 30 on the criteria for determining materiality of events/information, disclosure requirements and timeline; • New regulations inserted: <ul style="list-style-type: none"> ○ Regulation 30A- Disclosure requirements for certain types of agreements binding listed entities. ○ Regulation 31B- Disclosure requirements for certain types of agreements binding listed entities. ○ Regulation 37A- Sale, lease or disposal of an undertaking outside Scheme of Arrangement. ○ Regulation 33(3) relating to listing entities’ quarterly financial results submission. <p>The amended SEBI LODR came into effect on 13 July 2023.</p> <p>SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015</p>	Effective 13 July 2023
4	IRDAI	IRDAI Information and Cyber Security Guidelines, 2023	<p>On 24 April 2023, the Insurance Regulatory and Development Authority of India (IRDAI) issued the <i>Guidelines on Information and Cyber Security 2023</i> for insurers. The Guidelines are intended to assist the insurance industry with enhancing its defences and related governance mechanisms to address emerging cyber threats.</p> <p>The Guidelines apply to all insurers, including foreign reinsurance branches (FRBs), insurance intermediaries covering brokers, corporate agents, web aggregators, third-party administrators (TPAs), insurance marketing firms (IMFs), insurance repositories, insurance self-network platforms (ISNP), corporate surveyors, motor insurance service providers (MISPs), common service centres (CSCs) and Insurance Information Bureau of India (IIB). Entities that have already undergone a security audit for FY 2022-23 (i.e. 1 April 2022 – 31 March 2023) must comply with the Guidelines from the next financial year (commencing 1 April 2024) onwards.</p> <p>The Guidelines define the roles and responsibilities of the board of directors, risk management committee and senior management, and specify compliance requirements for various information and cyber security areas, such as mobile security policies, cryptographic controls etc.</p> <p>IRDAI Information and Cyber Security Guidelines, 2023</p>	-

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1	OJK	Regulation of the Financial Services Authority on the Implementation of ANTI-Money Laundering Program, Prevention of Terrorist Financing, and Prevention of Proliferation of Weapons of Mass Destruction in the Financial Services Sector	<p>On 14 June 2023, the Otoritas Jasa Keuangan (OJK) issued the Regulation No. 8/2023 on the <i>Implementation of Anti-Money Laundering (AML), Counter-Terrorist Financing (CFT), and Counter-Proliferation Financing of Weapons of Mass Destruction (CPF) Program in the Financial Services Sector</i> with immediate effect. The new Regulation aims to mitigate emerging money laundering, terrorist financing and weapons with mass destruction proliferation financing risks. The new Regulation is also in line with the Financial Action Task Force on Money Laundering (FATF)'s principles, Indonesian laws and regulations, and technology and innovations development.</p> <p>Under the new Regulation, the OJK expanded the scope of financial institutions that are required to implement AML-CFT and CPF programs, such as trusts, securities crowdfunding, fintech companies etc. The Regulation also outlines various enhanced requirements, such as provisions relating to proliferation financing, supporting professionals, individual risk assessments, third-party verification service providers, compliance management function, administrative sanctions and transaction suspension related to illicit activities.</p> <p>Further, the OJK emphasises customer due diligence requirements. The Regulation also aligns with the Law on Job Creation and mandatory data submission arrangement to OJK for supervisory purposes.</p> <p>Financial institutions are given a transition period of up to six months to comply with the new Regulation.</p> <p>Regulation of the Financial Services Authority on the Implementation of ANTI-Money Laundering Program, Prevention of Terrorist Financing, and Prevention of Proliferation of Weapons of Mass Destruction in the Financial Services Sector</p>	Effective 14 June 2023

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1	JFSA	Finalisation of the revisions to "Standards and Practice Standards for Management Assessment and Audit concerning Internal Control over Financial Reporting"	<p>On 7 April 2023, the Japan Financial Services Agency (JFSA) published the finalised revisions to the <i>Standards and Practice Standards for Management Assessment and Audit concerning Internal Control over Financial Reporting</i>, compiled by the Internal Control Committee of the Business Accounting Council with immediate effect. Key revisions were made relating to the basic framework of internal control, assessment and internal control reporting by corporate management etc.</p> <p>The revisions will be applicable for the assessment and audit of internal control over financial reporting starting from fiscal year beginning on or after 1 April 2024.</p> <p>Finalisation of the revisions to "Standards and Practice Standards for Management Assessment and Audit concerning Internal Control over Financial Reporting" after public consultation</p>	Effective 7 April 2023
2	JFSA	Publication of the "Action Program for Accelerating Corporate Governance Reform: From Form to Substance"	<p>On 26 April 2023, the JFSA published the opinion statement No.6 - <i>Action Program for Accelerating Corporate Governance Reform: From Form to Substance</i>, prepared by the Council of Experts Concerning the Follow-up of Japan's Stewardship Code and Japan's Corporate Governance Code. The Council has identified various issues after examining Japan's corporate governance reform (which commenced in 2014), such as management issues, issues related to effectiveness of independent directors, and communication between companies and investors.</p> <p>To address the issues identified, the Council has put forward a set of recommendations on the approach to future initiatives and specific measures to shift the focus of corporate governance reform from 'form' to 'substance'.</p> <p>Publication of the "Action Program for Accelerating Corporate Governance Reform: From Form to Substance"</p>	-
3	JFSA	Publication of the finalised "Cabinet Orders to partially revise the Order for Enforcement of the Act on Prevention of Transfer of Criminal Proceeds", etc.	<p>On 26 May 2023, the JFSA issued the finalised <i>Cabinet Orders to partially revise the Order for Enforcement of the Act on Prevention of Transfer of Criminal Proceeds, etc</i> after public consultation. The revisions were made to regulations regarding electronic payment instruments (i.e. stablecoins) and crypto-assets, and include:</p> <ul style="list-style-type: none"> • The <i>Act on Prevention of Transfer of Criminal Proceeds</i> (APTCP) will apply to issuers of high-value prepaid payment instruments and stablecoin exchange service providers as "Specified Business Operators". Specified business operators with defined businesses classified as "Specified Business", and transactions classified as "Specified Transaction" must comply with obligations such as preparation and maintenance of transaction records and conducting ID verification during transactions; • Notification requirements for the transfer of stablecoins and crypto assets based on the travel rules, and operators' obligation to verify transactions and report suspicious cases; and • Defined methods and standards in conducting due diligence on the AML/CFT status of the counterparty. <p>The revised Cabinet Orders came into effect on 1 June 2023.</p> <p>Publication of the finalised "Cabinet Orders to partially revise the Order for Enforcement of the Act on Prevention of Transfer of Criminal Proceeds", etc. after public consultation</p>	Effective 1 June 2023

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4	JFSA	Publication of "Progress Report on Enhancing Asset Management Business 2023" and other relevant survey reports	<p>On 21 April 2023, the JFSA published the <i>Progress Report on Enhancing Asset Management Business 2023</i> and other relevant survey reports. The progress report outlines the key challenges and potential actions the asset management industry may face to improve productivity and growth, compared to global peers, as well as the JFSA's expectations for industry participants to enhance trust and transparency. The progress report was compiled based on comments and insights collected through interviews with experts across the asset management industry.</p> <p>In addition, the JFSA also released 2 survey reports on investment performance of assessment of asset managers in Japan, U.S and Europe.</p> <p>Publication of "Progress Report on Enhancing Asset Management Business 2023" and other relevant survey reports</p>	-
5	JFSA	Consultation on draft revisions to the "Discussion Paper on Dialogues and Practices Regarding Financial Institutions' IT Governance"	<p>On 24 April 2023, the JFSA launched a public consultation on the revisions to the <i>Discussion Paper on Dialogues and Practices Regarding Financial Institutions' IT Governance</i>. Through continuous conversations with financial institutions and experts, the JFSA noted that financial institutions have made significant progress in digital transformation.</p> <p>The consultation ended on 31 May 2023.</p> <p>Publication of the draft revisions to the "Discussion Paper on Dialogues and Practices Regarding Financial Institutions' IT Governance" for consultation</p>	-
6	JFSA	Publication of the finalised "Discussion Paper on Ensuring Operational Resilience"	<p>On 27 April 2023, the JFSA issued the finalised <i>Discussion Paper on Ensuring Operational Resilience</i> after a public consultation conducted in December 2022. The paper outlines the basic operational resilience framework for financial institution and includes practical points and issues to facilitate discussions between the JFSA and financial institutions.</p> <p>The paper aims to provide financial institutions with a framework for implementing better practices and ensuring that financial institutions can continue to provide critical operations at a minimum level.</p> <p>Publication of the finalised "Discussion Paper on Ensuring Operational Resilience" after public consultation Discussion Paper on Ensuring Operational Resilience (ENG)</p>	-

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7	BOJ	Publication of Central Bank Digital Currency Experiments: Results and Findings From 'Proof of Concept Phase 2'	<p>On 29 May 2023, the Bank of Japan (BOJ) published a report on the <i>Results and Findings from "Proof of Concept Phase 2" of the Central Bank Digital Currency (CBDC) Experiments</i>. The BOJ conducted the proof of concept (PoC) phase II from April 2022 to March 2023. Additional functions of CBDC were evaluated, adding on to the primary function of the CBDC ledger built in Phase 1 to identify potential technical challenges. The results were evaluated in terms of processing performance and technical feasibility. Additionally, the BOJ examined the potential use of new technologies not included in Phase 1 with respect to data models and databases.</p> <p>Upon completion of the PoCs, the BOJ confirmed the technical feasibility of the fundamental functions of a CBDC. As the next step, the BOJ launched a CBDC pilot program in April 2023 to examine the end-to-end process flow, measures and potential challenges of linking CBDC systems with external systems, and exploring possible solutions outlined in the PoCs. Moreover, the BOJ will set up a CBDC forum to explore institutional arrangements and gather inputs and perspectives from private businesses connected to retail payments.</p> <p>Publication of Central Bank Digital Currency Experiments: Results and Findings From 'Proof of Concept Phase 2'</p>	-
8	JFSA	Publication of the finalised amendments to the "Comprehensive Guidelines for Supervision of Small- and Medium-Sized and Regional Financial Institutions" alongside the finalised amendments to other relevant and applicable comprehensive guidelines	<p>On 1 June 2023, the JFSA announced the finalised amendments to the <i>Comprehensive Guidelines for Supervision of Small- and Medium-Sized and Regional Financial Institutions</i>, alongside finalised amendments to other relevant and applicable comprehensive guidelines. The amendments are in response to financial institutions' request to establish an 'advanced banking service companies' category. The finalised amendments provide a clear understanding of conducting PoC trials to verify 'advanced banking service companies' corporate profitability, and business continuity/sustainability in a banking group.</p> <p>Other finalised relevant guidelines include:</p> <ul style="list-style-type: none"> • Comprehensive Guidelines for Supervision of Major Banks, etc; • Comprehensive Guidelines for Supervision of Cooperative Financial Institutions; and • Comprehensive Guidelines for Supervision of Insurance Companies. <p>The finalised amendments came into effect on 1 June 2023.</p> <p>Publication of the finalised amendments to the "Comprehensive Guidelines for Supervision of Small- and Medium-Sized and Regional Financial Institutions" alongside the finalised amendments to other relevant and applicable comprehensive guidelines after public consultation</p>	-

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#	Issuing Authority	Title	Regulatory Update	Key Dates
1	BNM	Risk Management in Technology (RMiT)	<p>On 1 June 2023, the Bank Negara Malaysia (BNM) issued the revised policy document on <i>Risk Management in Technology</i>.</p> <p>Key updates include:</p> <ul style="list-style-type: none"> • Provision of additional guidance for financial institutions to enhance their cloud risk management capabilities (Paragraphs 10.50 and Appendix 10); • Shift to a risk-based approach in cloud consultation and notification process (Paragraph 15), and updated relevant risk assessment and submission requirements; • Revised cross references and included the standard requirements for multi-factor authentication security control. <p>The BNM also revised the Frequently Asked Questions document to aid implementation of the revised policy requirements.</p> <p>Risk Management in Technology (RMiT)</p>	<p>Effective 1 June 2023 except paragraph 10.50, paragraph 15 and Appendix 10 for licensed digital banks or licensed Islamic digital banks.</p> <p>Paragraph 10.50, 15 and Appendix becomes effective on 1 June 2024 for other relevant financial institutions.</p>
2	BNM	Financial Technology Regulatory Sandbox Framework – Exposure Draft	<p>On 28 March 2023, the BNM launched a consultation on revising the Financial Technology Regulatory Sandbox Framework. The proposed revisions are intended to ensure appropriate regulatory facilitation, and improve the efficiency of the existing sandbox procedure.</p> <p>Key revisions are:</p> <ul style="list-style-type: none"> • Simplification of the eligibility assessment; • Introduction of the Innovation Green Lane – providing a risk-proportionate and accelerated pathway for innovative solutions by financial institutions with strong risk assessment capabilities. <p>The consultation ended on 30 May 2023.</p> <p>Financial Technology Regulatory Sandbox Framework – Exposure Draft</p>	<p>Consultation ended on 30 May 2023</p>
3	BNM	Management of Customer Information and Permitted Disclosure	<p>On 3 April 2023, the BNM issued the revised policy document on <i>Management of Customer Information and Permitted Disclosures</i>. In the revised policy document, the BNM sets out requirements and expectations for financial service providers on customer information handling measures and controls throughout the information lifecycle.</p> <p>The revised policy document also prescribes conditions on customer information disclosure in accordance with the permitted disclosures set out in Schedule 11 of the <i>Financial Services Act 2013</i> and <i>Islamic Financial Services Act 2013</i>, as well as the <i>Fourth Schedule of the Development Financial Institutions Act 2002</i>.</p> <p>Management of Customer Information and Permitted Disclosure</p>	<p>Effective on 3 April 2023, except item 8 in the table set out under Part C.</p> <p>Part C, Item 8 – 1 comes into effect on 1 January 2024</p>

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4	BNM	Participation Rules for Payments and Security Services	<p>On 3 April 2023, the BNM issued the updated <i>Participation Rules for Payments and Security Services</i> with immediate effect. The Participation Rules serve as the governance framework for the Real Time Electronic Transfer of Funds and Securities System (RENTAS), and the Fully Automated System for Issuing / Tendering (FAST). Key updates include:</p> <ul style="list-style-type: none"> • Removal of Guidelines on Cyber Resilience for Participants of RENTAS and FAST from the scope and application section; • Update to Clause 16.1 and its sub-clauses, to include system recovery as one of the business continuity management components; and • Insertion of new Clauses 40-42, on cyber security maturity assessment for RENTAS and FAST participants. <p>Participation Rules for Payments and Security Services</p>	Effective 3 April 2023
5	BNM	Operational Procedures for Malaysian Ringgit (MYR) Settlement/ Foreign Currency Settlement in the Real Time Electronic Transfer of Funds and Securities System (RENTAS)	<p>On 3 April 2023, the BNM issued the updated <i>Operational Procedures for Malaysian Ringgit (MYR) Settlement in the Real Time Electronic Transfer of Funds and Securities System (RENTAS)</i> and <i>Operational Procedures for Foreign Currency Settlement in the Real Time Electronic Transfer of Funds and Securities System (RENTAS)</i> with immediate effect. Key updates include:</p> <ul style="list-style-type: none"> • Inserted new clauses to clarify the handling of payments settlement in RENTAS in the event of unexpected banking holiday; • Inserted a new sub-clause to introduce new RENTAS portal module – RENTAS iLINK; • Removed the clause on RENTAS iLINK user manuals; • Inserted new clauses on managing additional RENTAS ISO20022 (MX) information by RENTAS participants during co-existence of MT- ISO15022 (MX); • Updated the external user access request form and removed the Cyber Security Department sign off; and • Updated the Glossary. <p>Operational Procedures for Malaysian Ringgit (MYR) Settlement in the Real Time Electronic Transfer of Funds and Securities System (RENTAS)</p> <p>Operational Procedures for Foreign Currency Settlement in the Real Time Electronic Transfer of Funds and Securities System (RENTAS)</p>	Effective 3 April 2023
6	BNM	Professionalism of Insurance and Takaful Agents	<p>On 17 April 2023, the BNM issued the policy document on the <i>Professionalism of Insurance and Takaful Agents</i>. The policy document applies to all licensed insurers and takaful operators (ITOs).</p> <p>The policy document outlines the agent recruitment requirements that ITOs are required to follow. The requirements specify the minimum qualifications for agents, fit and proper criteria, due diligence processes, Continuous Professional Development (CPD) of agents and corrective actions that ITOs should take in case of agent misconduct.</p> <p>The policy document comes into effect on 1 January 2024.</p> <p>Professionalism of Insurance and Takaful Agents</p>	Effective 1 April 2024

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#	Issuing Authority	Title	Regulatory Update	Key Dates
7	BNM	Registration Procedures and Requirements on Professionalism of Adjusters	<p>On 1 June 2023, the BNM issued the <i>Registration Procedures and Requirements on Professionalism of Adjusters</i> with immediate effect.</p> <p>The policy document sets out the registration requirements for an individual intending to carry on adjusting business, and prudential and conduct requirements for registered adjusters. The policy document also aims to strengthen registered adjusters' professionalism in business management, and in dealing with customers, by imposing fit and proper assessments on their shareholders and key responsible persons, and by introducing new obligations relating to meeting minimum CPD requirements. In addition to this, policy document sets out additional requirements on Board and senior management, to ensure proper governance and control measures are in place.</p> <p>Registration Procedures and Requirements on Professionalism of Adjusters</p>	Effective 1 June 2023
8	BNM	Disposal and Purchase of Impaired Loans/Financing	<p>On 19 June 2023, the BNM launched a consultation on the proposal to enhance requirements on banking and non-banking institutions' disposal and purchase of impaired loans/financing. The proposed requirements aim to ensure the efficiency of the disposal and purchase of impaired loans/financing processes, while safeguarding the affected borrower's rights and interests.</p> <p>The consultation ended on 19 July 2023.</p> <p>Disposal and Purchase of Impaired Loans/Financing - Exposure Draft</p>	Consultation ended on 19 July 2023

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1	Commerce Commission	Market Study into Personal Banking Services	<p>On 21 June 2023, the New Zealand Commerce Commission launched a market study into banks' personal banking services. The study would determine any actions needed to ensure competition is working for customers.</p> <p>The potential focus areas of the study include current accounts, deposit accounts, and overdraft account services, personal loans, and mortgage and credit card lending. The study will also examine the outcome of competition process, including bank profits. In the interim, a preliminary issues paper is expected in August 2023 to describe the structure of the industry and provide early indications on the nature of competition.</p> <p>Market Study into Personal Banking Services</p>	<p>Inquiry announced 20 June 2023</p> <p>Preliminary issues paper due August 2023</p> <p>Inquiry to be completed by August 2024</p>
2	Ministry of Justice and the New Zealand Government	Consultation on changes to AML/CFT Act regulations	<p>In April 2023, the consultation launched by the Ministry of Justice and the New Zealand Government on proposed revisions to Anti-Money Laundering and Countering Financing of Terrorism Act (AML/CFT Act) ended.</p> <p>Following conclusion of the consultation, in May 2023, the Ministry of Justice announced 6 proposed changes would need to be included in primary legislation instead of regulations and would not be included in this package. All other proposed regulations are expected to be issued in July 2023.</p> <p>Consultation on changes to AML/CFT Act regulations</p>	<p>Consultations closed in April 2023</p> <p>Proposed regulations will be issued in July 2023</p>
3	Ministry of Business, Innovation & Employment and the New Zealand Government	Conduct of financial institutions regime	<p>In June 2023, Ministry of Business Innovation and Employment (MBIE) announced new regulations to support the new <i>Financial Conduct Regime</i>, introduced by the <i>Financial Markets (Conduct of Institutions) Amendment Act 2022</i>. The proposed regulations, amongst others, include regulations prohibiting financial institutions and their intermediaries from offering sales incentives based on volume or value targets, and regulations setting the licensing fee for financial institutions.</p> <p>Conduct of financial institutions regime</p>	<p>In June 2023 regulations were made to support the new regime</p> <p>Licensing applications for financial institutions open on 25 July 2023</p>

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#	Issuing Authority	Title	Regulatory Update	Key Dates
1	BSP	Guidance Paper for an Effective Anti-Money Laundering/Counter Financing (AML/CTPF) Transaction Monitoring System	<p>On 20 April 2023, the Bangko Sentral ng Pilipinas (BSP) published the <i>Guidance Paper on Transaction Monitoring System</i>. The Guidance Paper presents the key results of the thematic review on transaction monitoring system of different types of BSP-Supervised Financial Institutions (BSFIs), and sets out sound practices and practical insights on transaction monitoring systems, and other related aspects such as customer due diligence, alerts/case management, and suspicious transaction investigation and reporting.</p> <p>The BSP expects BSFIs to incorporate and to continue to enhance transaction monitoring and reporting systems as a key component of the AML/CTPF framework, taking into account the Guidance Document.</p> <p>Guidance Paper for an Effective Anti-Money Laundering/Counter Financing (AML/CTPF) Transaction Monitoring System</p>	-
2	BSP	Rules of Procedure for the Consumer Assistance Mechanism, Mediation Adjudication of Cases in BSP	<p>On 24 March 2023, the BSP issued the approved <i>Rules of Procedure for the Consumer Assistance Mechanism, Mediation and Adjudication of Cases in the Bangko Sentral ng Pilipinas</i>. The objective of the Rules is to enhance the consumer protection framework through the imposition of new regulations on consumer assistance mechanisms (CAM), mediation, and adjudication.</p> <p>According to the Rules, the financial consumer protection assistance mechanism (FCPAM) provided by Bangko Sentral-Supervised Institutions (BSI) will serve as the first-level recourse for financial consumers dissatisfied with their financial products or services. If the financial consumer is unsatisfied with BSI's resolution of their complaint, the BSP-CAM will serve as the second-level recourse.</p> <p>In terms of mediation proceedings, the prescribed mediation period is 30 days, and the proceedings should be conducted virtually via BSP approved platform. For adjudication proceedings, proceedings are required to be conducted in person/face-to-face.</p> <p>The Rules came into effect on 1 May 2023.</p> <p>Rules of Procedure for the Consumer Assistance Mechanism, Mediation Adjudication of Cases in BSP</p>	Effective 1 May 2023
3	BSP	Modified Minimum Capitalisation of Conventional Banks with Islamic Banking Unit	<p>On 19 April 2023, the BSP introduced the modified minimum capitalisation requirements for conventional banks with Islamic banking units (IBU). The modified requirements aim to provide flexibility in IBU licensing and to expand customers' access to Shari'ah-compliant banking products and services.</p> <p>The Circular allows conventional commercial banks (or subsidiary banks of universal or commercial banks that meet minimum capital requirements for their respective banking category), to operate an IBU within a maximum 5-year transitory period. After the transitory period, conventional bank's IBU operation will be subject to the minimum capitalisation requirement for a universal bank.</p> <p>Also, Islamic banks may take necessary actions to have their stock listed in any registered stock exchange.</p> <p>The Circular came into effect on 15 May 2023.</p> <p>Modified Minimum Capitalisation of Conventional Banks with Islamic Banking Unit</p>	Effective 15 May 2023

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4	BSP	Anti-Money Laundering Council (AMLC) Guidance on Sanctions Screening	<p>On 18 May 2023, the BSP published the <i>Anti-Money Laundering Council (AMLC) Guidance on Sanctions Screening – 2022-2023 Thematic Review of the Effectiveness of Customer and Transaction Screening Systems of Covered Persons in Targeted Financial Sanctions (TFS) Implementation</i>.</p> <p>The objective of the thematic review was to evaluate the effectiveness of select covered persons' customer and transaction sanction screening systems in TFS implementation. The Guidance paper provides an overview of the AMLC's thematic review results.</p> <p>The Guidance paper highlighted the trends and observations as well as supervisory expectations relating to TFS' on key areas, including 1) senior management oversight and commitment, 2) risk assessment, 3) ownership, skills and training, 4) policies and procedures, 5) technology, sanctions data, and 5) testing and audit.</p> <p>Anti-Money Laundering Council (AMLC) Guidance on Sanctions Screening</p>	-
5	BSP	Customer Due Diligence (CDD) on Designated Non-Financial Business and Profession (DNFBP) Customers	<p>On 29 May 2023, the BSP issued the <i>Memorandum No. M-2023-019 on Customer Due Diligence (CDD) on Designated Non-Financial Business and Profession (DNFBP) Customers</i>. In accordance with existing regulations for banks and non-bank financial institutions, the BSP expects BSFIs to strictly perform CDD on DNFBP customers. The CDD measures include:</p> <ul style="list-style-type: none"> • Identification and verification of the identity of DNFBP customers and beneficial owner/based on reliable sources; • Understanding and obtaining information on the purpose and intended nature of the business relationship ;and • Conducting ongoing due diligence on business relationships and review transactions made throughout the relationship. <p>In addition, the memorandum outlines what a BSFI must do when a covered person is unable to comply with the relevant CDD measures.</p> <p>Customer Due Diligence (CDD) on Designated Non-Financial Business and Profession (DNFBP) Customers</p>	-

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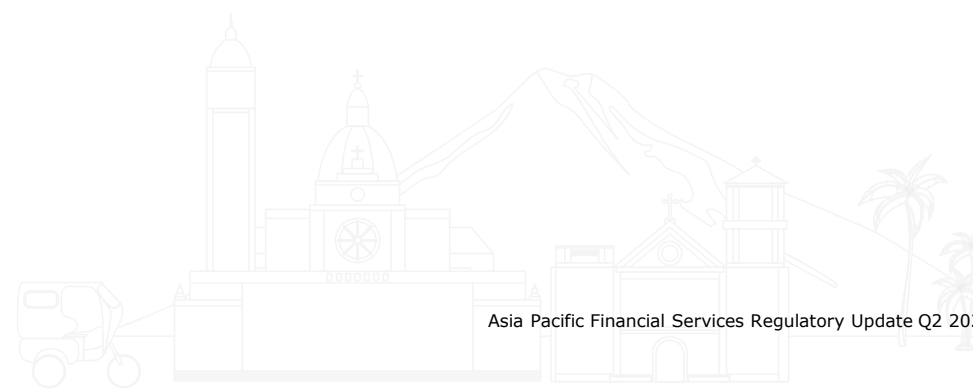
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6	BSP	Amendments to the Implementing Rules and Regulations, and Prudential Reports Relative to the Mandatory Agriculture, Fisheries and Rural Development (AFRD) Financing under Republic Act (R.A.) No. 11901 or The Agriculture, Fisheries and Rural Development Financing Enhancement Act of 2022	<p>On 9 June 2023, the BSP issued <i>BSP Circular No.1174</i>, which outlines the amendments to <i>BSP Circular No. 1159</i> dated 4 November 2022 on rules and regulations, and prudential reports relative to the mandatory agriculture, fisheries, and rural development financing. Under Circular No. 1559, the BSP mandates banks to set aside at least 25 percent of their total loanable funds for AFRD financing for 10 years from the approval of <i>R.A. No. 11901</i> (i.e. 18 August 2022 to 27 July 2032).</p> <p>The new circular amends the following: New definition of terms - Farmer's and fisherfolk organisations or associations shall refer to farming or fishing cooperatives, associations or corporations duly registered;</p> <ul style="list-style-type: none"> Modes of compliance - To determine compliance with the mandatory AFRD financing requirement, loans to finance activities that generally benefit AFIBs, ARCs, or other priority sectors (as determined by the Agricultural Credit Policy Council (ACPC)), shall be assessed at 10 times their outstanding amount or as otherwise specified by the ACPC; and Computation of total loanable funds – Expansion of bills payable items. <p>The Circular came into effect on 24 June 2023.</p> <p>Amendments to the Implementing Rules and Regulations, and Prudential Reports Relative to the Mandatory Agriculture, Fisheries and Rural Development (AFRD) Financing under Republic Act (R.A.) No. 11901 or The Agriculture, Fisheries and Rural Development Financing Enhancement Act of 2022</p>	Effective 24 June 2023
7	BSP	Availability of the Currency Rate Risk Protection Program (CRRP) Facility	<p>On 18 April 2023, the BSP published the <i>Circular on Availability of the Currency Rate Risk Protection program (CRPP) Facility</i>. The CRPP Facility offers a non-deliverable USD/PHP forward contract (NDF) between the BSP and all universal and commercial banks (UKBs), and it is available to bank clients who wish to hedge their eligible foreign currency obligations. Due to depreciation of Philippine peso and concerns over a global economic slowdown in 2022, the BSP issued the Circular to remind UKBs that the CRPP facility remains available.</p> <p>Banks that wish to avail of the CRPP Facility must comply with the guidelines set out under BSP Circular No. 1015 series of 2018, as amended by BSP Circular No.1172 series of 2023.</p> <p>Availability of the Currency Rate Risk Protection Program (CRRP) Facility</p>	-

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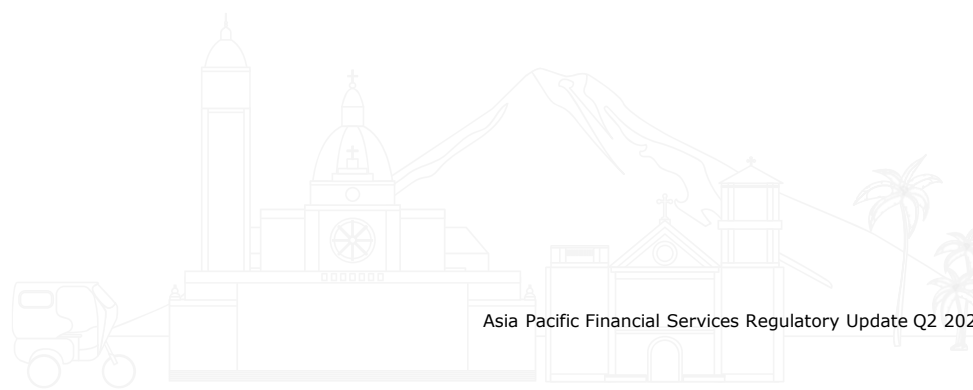
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#	Issuing Authority	Title	Regulatory Update	Key Dates
1	MAS	MAS Proposes Enhanced Safeguards for Prospecting and Marketing of Financial Products	<p>On 25 April 2023, MAS published two consultation papers with proposals to enhance safeguards for prospecting and marketing of financial products. Proposed changes under consultation include:</p> <ul style="list-style-type: none"> Physical prospecting at public places, existing safeguards such as the disclosure of representatives' identities and the financial institutions they represent will be made mandatory. Financial institutions can only conduct prospecting activities at commercial premises and will also need to provide customers with additional time to consider whether to make a purchase and limit the use of gift offers which may influence decision-making. For digital marketing, financial institutions will need to strengthen controls over online advertisements to avoid disseminating misleading content. They must also tighten practices when appointing third party service providers to generate leads online through the dissemination of online advertisements and collection of prospective customers' contact information. <p>The consultation ended on 30 June 2023.</p> <p>MAS Proposes Enhanced Safeguards for Prospecting and Marketing of Financial Products Consultation Paper on Enhancing Safeguards for Proper Conduct of Prospecting Activities at Public Places and Telemarketing Consultation Paper on Enhancing Safeguards for Proper Conduct of Digital Prospecting and Marketing Activities</p>	Consultation ended 30 June 2023
2	MAS	Strengthening Financial Institutions' ("FIs") Countering the Financing of Terrorism ("CFT") Controls	<p>On 26 May 2023, the MAS conducted an industry-wide survey on CFT-related controls and performed thematic reviews to assess financial institutions' understanding of TF risk and the effectiveness of their CFT-related controls. MAS identified the following areas for improvement arising from its supervisory engagements:</p> <ul style="list-style-type: none"> Strengthening screening processes – review existing screening processes to ensure compliance with the <i>Terrorism (Suppression of Financing) Act, Corruption, Drug Trafficking and other Serious Crimes (Confiscation of Benefits) Act 1992</i> and MAS rules; Leveraging data analytics – leverage on data analytics to enhance TF detection; Conducting regular reviews to strengthen internal controls and processes – implement robust internal controls and processes to detect, escalate and mitigate TF risk identified during the customer account life-cycle; and Ensuring timely and quality STR submissions – Communicate TF observations through STR filings on a timely basis. <p>Strengthening Financial Institutions' ("FIs") Countering the Financing of Terrorism ("CFT") Controls</p>	-
3	MAS	Implementation Timeline for the Final Basel III Reforms in Singapore	<p>On 8 June 2023, the MAS issued a circular on the finalised implementation timeline for the final Basel III reforms in Singapore. Most of the final Basel III reforms in Singapore will take effect from 1 July 2024.</p> <p>Specifically, the requirements in the revised <i>MAS Notice 637 on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore</i> will come into effect as follows:</p> <ul style="list-style-type: none"> for all standards other than the revised market risk and credit valuation adjustment (CVA) standards: with effect from 1 July 2024; for the revised market risk and CVA standards: with effect from 1 July 2024 for compliance with supervisory reporting requirements, and with effect from 1 January 2025 for compliance with capital adequacy and disclosure requirements; and for the output floor transitional arrangement: to commence from 1 July 2024 and reach full phase-in on 1 Jan 2029. <p>Implementation Timeline for the Final Basel III Reforms in Singapore</p>	Commences 1 July 2024

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4	MAS	Financial Services and Markets (Amendment) Bill	<p>On 9 May 2023, the Second Reading Speech for the <i>Financial Services and Markets (Amendment) Bill</i> (FSMA Bill), was presented by Mr Alvin Tan, Minister of State, Ministry of Culture, Community and Youth & Ministry of Trade and Industry, and Board Member of MAS, on behalf of Mr Tharman Shanmugaratnam, Senior Minister and Minister-in-charge of the MAS.</p> <p>In his speech, Mr Tan noted the difficulties faced by financial institutions in dealing with financial crime, due to limitations on information sharing relating to customer data. To address this problem, MAS proposes to establish and maintain a secure digital platform for financial institutions to share with one another, information on customers who exhibit multiple "red flags" that may indicate potential financial crime concerns, if stipulated thresholds are met.</p> <p>The FSMA Bill amends the <i>Financial Services and Markets Act (FSMA) 2022</i>, to allow this sharing of information and provides the legal framework for it. It outlines the conditions and methods for sharing customer risk information. The Bill also includes robust safeguards to protect the confidentiality of shared information and the interests of legitimate customers.</p> <p>Financial Services and Markets (Amendment) Bill</p>	-
5	MAS	Corporate Finance Thematic Inspection - Good Practices and Key Findings	<p>On 17 April 2023, MAS' published the results of its thematic inspection into Corporate Finance, and supervisory expectations for financial institutions carrying out corporate finance (CF) advisory activities for Initial Public Offers (IPOs).</p> <p>The thematic inspection of IMs showed that there are significant areas for improvement in their advisory activities for IPOs and placement activities. IMs need to regularly assess their internal controls, policies and procedures, enhance management oversight, and tighten control over these activities.</p> <p>MAS expects all issue managers (IMs) to incorporate these expectations, and where appropriate, the good practices into their conduct of CF advisory and placement activities.</p> <p>Corporate Finance Thematic Inspection - Good Practices and Key Findings</p>	-
6	MAS	MAS Launches Finance for Net Zero Action Plan	<p>On 20 April 2023, the launch of MAS' <i>Finance for Net Zero (FiNZ) Action Plan</i> was announced at the opening of the Sustainable and Green Finance Institute of the National University of Singapore. The FiNZ Action Plan aims to achieve the following four strategic outcomes:</p> <ul style="list-style-type: none"> • Data, Definitions & Disclosures – MAS will promote consistent, comparable, and reliable climate data and disclosures to guide decision making by financial market participants, and safeguard against greenwashing risks; • Climate Resilient Financial Sector – MAS will continue to engage financial institutions to foster sound environmental risk management practices and deepen climate scenario analysis & stress testing to identify climate-related financial risks; • Credible Transition Plans – MAS will engage international partners such as the International Energy Agency to support the development of credible regional sectoral decarbonisation pathways; • Green & Transition Solutions & Markets – MAS will promote innovative and credible green and transition financing solutions and markets to support decarbonisation efforts and climate risk mitigation <p>MAS Launches Finance for Net Zero Action Plan</p>	-

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7	MAS	MAS Launches AI in Finance Challenge for the 2023 Global FinTech Hackcelerator	<p>On 12 June 2023, Monetary Authority of Singapore (MAS) launched the 8th edition of the Global FinTech Hackcelerator, titled "Artificial Intelligence (AI) in Finance Global Challenge", to produce innovative and market-ready AI solutions that can transform the financial services industry. Global participants are welcomed to propose innovative solutions for 16 problem statements sourced from financial institutions and industry players. These statements emphasise four crucial areas where AI can be effectively utilised to achieve stronger outcomes: (i) Improving customer experience; (ii) Enhancing operational efficiency; (iii) Strengthening risk, compliance and fraud monitoring; and (iv) Enabling environmental, social, and governance (ESG) solutions.</p> <p>MAS Launches AI in Finance Challenge for the 2023 Global FinTech Hackcelerator</p>	-
8	MAS	Artificial Intelligence to take centre stage at the Singapore FinTech Festival 2023	<p>On 1 June 2023, the MAS and Elevandi announced the theme of the Singapore FinTech Festival 2023 (SFF) – <i>Applications of Artificial Intelligence (AI) in Financial Services</i>. The SFF 2023 will focus on the growth and adoption of AI and how this technology can potentially be used in financial services. 2023 will see the continued exponential growth of AI applications and adoption with leaders keen to understand how AI can help build greater resilience in financial services. The broader SFF 2023 will explore how AI, Web3, and digital public goods can speed up the shift to a low-carbon future and re-imagine the financial system to serve the underserved. It will also prioritise safeguarding the digital economy from modern climate, technology, and cyber risks.</p> <p>Artificial Intelligence to take centre stage at the Singapore FinTech Festival 2023</p>	-
9	MAS	MAS Partners Google Cloud to Advance Capabilities in Generative AI Technology	<p>On 31 May 2023, MAS and Google Cloud signed a memorandum of understanding (MoU) to collaborate on generative AI solutions that are grounded on responsible AI practices.</p> <p>The MoU establishes a framework for collaboration in technology and industry best practices across three key areas.</p> <ul style="list-style-type: none"> Identifying potential use cases, conducting technical pilots, and co-creating solutions in responsible generative AI for MAS' internal and industry-facing digital services; Cooperating on responsible generative AI technology application development and test-bedding of cutting-edge AI products for business functions and operations, in line with MAS' technology plans and other areas of mutual interests; and Supporting the technical competency development on responsible generative AI as well as deep AI skillsets for MAS technologists. <p>MAS Partners Google Cloud to Advance Capabilities in Generative AI Technology</p>	-

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10	MAS	Overcoming the Financial Sector's Artificial Intelligence and Data Analytics ("AIDA") Talent Shortage	<p>On 23 May 2023, at the Green Shoots Seminar, the launch of the <i>Artificial Intelligence and Data Analytics (AIDA) Talent Development Programme</i>, and the AIDA Talent Consortium was announced. The global shortage of tech talent remains persistent due to increased interest in tech sector with the introduction of AI-powered programs such as ChatGPT. The Government will continue to partner with industry specialists to ensure the Singapore workforce have the necessary skillsets to seize opportunities in AI. The AIDA Talent Development Programme aims to boost the availability of AIDA talent and build deep AI capabilities in the financial sector. The AIDA Talent Consortium has been set up for key financial institutions and training institutions to collaborate on the talent development programme, with the goal of addressing current skills gaps.</p> <p>Overcoming the Financial Sector's Artificial Intelligence and Data Analytics ("AIDA") Talent Shortage</p>	-
11	MAS	New York Fed and MAS Publish Results of Joint Wholesale Cross-Border Payments Research Study	<p>On 19 May 2023, the Federal Reserve Bank of New York's New York Innovation Center and MAS published a research report detailing the results of the joint Project Cedar Phase II x Ubin+ ("Cedar x Ubin+") experiment. The experiment demonstrated that distributed ledger technology could support enhancements to cross-border multi-currency payments and settlements. The findings addressed three key pain points:</p> <ul style="list-style-type: none"> • Interoperability and Autonomy: The experiment interlinked the distinct central bank currency ledgers, providing flexibility in the design and operation of each ledger to the respective central bank. This enabled payments to be safely executed across multiple ledgers without relying on a central clearing authority or shared central network. • Atomic Settlement: The simulated payments were settled atomically, meaning transactions were only settled if parts of the cross-currency payment chain were executed successfully. This improved the certainty of settlement, addressing concerns such as counterparty risks. • Near Real-Time Settlement: Each simulated payment scenario achieved end-to-end settlement in under thirty seconds on average, enabling participants to receive payment confirmation within seconds. <p>New York Fed and MAS Publish Results of Joint Wholesale Cross-Border Payments Research Study</p>	-
12	MAS	MAS Establishes Financial Sector Cloud Resilience Forum	<p>On 5 April 2023, MAS hosted the inaugural Financial Sector Cloud Resilience Forum for Asia Pacific financial regulators and cloud service providers (CSPs) to exchange views on appropriate public cloud risk management practices for the financial sector. Key takeaways from the Forum include:</p> <ul style="list-style-type: none"> • Trend of increasing adoption of public cloud services by financial institutions. • CSPs will need to assist their FI clients to maintain high standard of operational resilience. • Information sharing between CSPs and financial regulators will be critical. <p>MAS Establishes Financial Sector Cloud Resilience Forum</p>	
13	MAS	Launch of Cross-border QR Code Payments Connectivity between Singapore and Malaysia	<p>On 31 March 2023, MAS and BNM launched a cross-border QR code payment linkage between Singapore and Malaysia. This payment linkage will allow customers of participating financial institutions to make retail payments by scanning NETS QR and DuitNow QR codes. It will support in-person payments through the scanning of physical QR codes displayed by merchants, and online cross-border e-commerce transactions. In the next phase, MAS and BNM plan to expand the payment linkage to enable cross-border account-to-account fund transfers and remittances. This will allow users to make real-time fund transfers between Singapore and Malaysia conveniently using just the recipient's mobile phone number via PayNow and DuitNow. This service is expected to go live by end of 2023.</p> <p>Launch of Cross-border QR Code Payments Connectivity between Singapore and Malaysia</p>	End of 2023

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1	FSC Korea	FSC Proposes Rules Change in the Enforcement Decree of the Banking Act	<p>On 10 April 2023, the Financial Services Commission Korea (FSC Korea) launched a consultation on revisions to the <i>Enforcement Decree of the Banking Act</i>. The revised bill proposed a set of standardised criteria for banks to seek FSC Korea's approval when closing, transferring, or acquiring a major part of their business operation. The revised rules also contains a regulatory change to align with upstream legislation and a penalty clause for a specific type of violation.</p> <p>After the consultation period, the revised rules will be reviewed by the Ministry of Government Legislation and finalised at the state council meeting. The revised rules are expected to take effect on 22 September 2023, aligning with the scheduled effective date of the Banking Act.</p> <p>The consultation ended on 22 May 2023.</p> <p>FSC Proposes Rules Change in the Enforcement Decree of the Banking Act</p>	<p>Consultation ended 22 May 2023</p> <p>Expected effective date: 22 September 2023</p>
2	FSC Korea	Authorities Plan to Preemptively Respond to Real Estate PF Risks of Securities Firms	<p>On 25 May 2023, the FSC Korea and the Financial Supervisory Service (FSS) announced the pre-emptive measures to mitigate real estate project finance (PF) related risks of securities companies. Considering the current market conditions, the measures intended to minimise risks associated with securities firms' exposure to PF and prevent market disruptions. Key measures are:</p> <ul style="list-style-type: none"> Addressing maturity mismatch through conversion of short-term project financing-asset backed commercial paper (PF-ABCPs) into longer-term loans; Supporting securities firms to speed up write-offs of non-performing loans; Extending the operation period of the KRW 1.8 million PF-ABCP purchase program until February 2024 to continue providing liquidity support; and Reassessing the risk weights of securities firms' net capital ratio (NCR) specially with regards to real estate PF. The FSC KR also plans to enhance the methodology of apply risk weights on real estate PF. <p>The effective dates of the measures are as follows:</p> <ul style="list-style-type: none"> The measure for encouraging conversion of short-term PF-ABCPs to long term loan takes immediate effect; Measures on write-offs of non-performing loans will take place on a quarterly basis; and Measures on extending PF-ABCP purchase program and easing NCR risk weight on self-guaranteed ABCPs purchase became effective in May and June 2023. Measures on improving NCR risk weight on real estate PF will be finalised in 2023. <p>Authorities Plan to Pre-emptively Respond to Real Estate PF Risks of Securities Firms</p>	-
3	FSC Korea	FSC Proposes Measures to Strengthen Internal Control of Financial Companies	<p>On 22 June 2023, the FSC Korea met with the FSS and financial industry groups to discuss proposed measures to improve the internal control system of financial companies. The proposed measures outline the internal control system requirements, including specific requirements on the responsibilities of each executive officer, as well as provide clarification on the board's oversight role over internal control matters.</p> <p>To support the implementation of the proposed measures, the financial authorities and industry groups will prepare best practice guidelines to demonstrate appropriate internal control activities. Further, the FSC Korea will gather feedback from financial institutions to refine the details of the proposed reform measures to revise the <i>Act on Corporate Governance of Financial Companies</i> thereafter.</p> <p>FSC Proposes Measures to Strengthen Internal Control of Financial Companies</p>	-

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#	Issuing Authority	Title	Regulatory Update	Key Dates
4	FSC Korea	Authorities Plan to Overhaul Rules on CFD Trades while Restricting New Transactions for Three Months	<p>On 30 May 2023, the FSC Korea announced the finalised measures for enhancing trading of contracts for differences (CFDs) regulations after discussion with the FSS, the Korea Exchange and the Korea Financial Investment Association on 26 May 2023. The measures will:</p> <ul style="list-style-type: none"> Enhance transparency in the provision of relevant investment information (i.e. CFD investors types and investment balances by item); Close loopholes to prevent regulatory arbitrage (including the amount of CFDs provided in the securities firms' maximum credit extension limit) When individuals applying for designations as professional investors will be subject to a mandatory in-person (including video call) verification process; and Introduce a new investment requirement for OTC derivatives transactions such as CFD trading. <p>Ahead of the implementation of the new measures, the Korean financial authorities are proposing to suspend new CFD transactions by qualified professional investors for the next three months. New CFD transactions may be resumed following setup and implementation of an appropriate system and an internal control framework.</p> <p>Authorities Plan to Overhaul Rules on CFD Trades while Restricting New Transactions for Three Months</p>	-
5	FSC Korea	Government To Ensure Virtual Asset User Protection, Transaction Transparency and Market Discipline	<p>On 30 June 2023, the FSC Korea announced the passage of the Act on the Protection of Virtual Asset Users. The Act mandates VASPs to follow specific rules to safeguard users' assets. VASPs are also prohibited from improperly using undisclosed material information, manipulating market prices, engaging in fraudulent transactions, and transacting self-issued virtual assets. Additionally, VASPs must regularly monitor and take appropriate measures to address abnormal activities (e.g. transactions with extreme volatility in prices and volumes) to ensure user protection. The Act also provides a legal basis granting the FSC Korea the authority to supervise and impose sanctions.</p> <p>The new Act expects to become effective in July 2024.</p> <p>Government To Ensure Virtual Asset User Protection, Transaction Transparency and Market Discipline</p>	Expected effective in July 2024
6	FSC Korea	English Disclosures to be Provided by Large Listed Companies from 2024	<p>On 3 April 2023, the FSC Korea announced that starting in 2024, large listed companies will be mandated to file English disclosures on material information to the Korea Exchange (KRX). The objective of the revised disclosure requirement is to increase foreign investors' accessibility to the Korean capital market. The revised requirement will be carried out in two phases for Korean Composite Stock Price Index (KOSPI)-listed firms, with the first phase being implemented from 2024 to 2025, followed by the second phase from 2026 onwards. The implementation will initially apply to large, listed companies with assets worth of KRW10 trillion or more.</p> <p>In the initial phase beginning in 2024, large KOSPI-listed firms will be mandated to submit the following in English within three days of filing their regulatory disclosures in Korean at the KRX:</p> <ul style="list-style-type: none"> Matters related to closing financial statements; Matters related to important decision-making; and Matters related to suspension of trading. <p>The KRX will also provide various support programs to facilitate the process.</p> <p>English Disclosures to be Provided by Large Listed Companies from 2024</p>	Commencing 2024

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7	FSC Korea	Online Insurance Policy Comparison and Recommendation Service to be Piloted	<p>On 6 April 2023, the FSC Korea announced the online insurance policy comparison and recommendation service pilot program for platform service providers. The proposed service intends to enhance consumer benefits and promote competition in the insurance sector.</p> <p>Starting at the end of 2023/early 2024, consumers can compare insurance policies from different companies and receive recommendations via the platforms to determine suitable products before purchase. The FSC Korea also sets out relevant measures on platform service providers, including the scope of service restriction, product range, consumer protection measures and anti-competition prevention measures.</p> <p>Online Insurance Policy Comparison and Recommendation Service to be Piloted</p>	Commencing end of 2023/early 2024
8	FSC Korea	Verification System for AI-driven Credit Scoring Model and AI Security Guideline	<p>On 17 April 2023, a verification system for AI-driven credit scoring model and a security guideline on the use of AI in the financial sector were introduced as part of the FSC Korea's effort to establish a more reliable AI use environment. The measures are the follow-up measures to the plans to promote the use of AI and improve credibility in the financial sector announced in August 2022.</p> <p>FSC Introduces Verification System for AI-driven Credit Scoring Model and AI Security Guideline</p>	-
9	FSC Korea	Threshold on Large Unlisted Companies to be Made More Reasonable in Accounting Rules	<p>On 24 April 2023, the FSC KR announced the approval of partial revision bill to the <i>Enforcement Decree of the Act on External Audit of Stock Companies</i>. The revised bill is a follow-up to the measures to overhaul accounting regulations announced in October 2022. The follow up measure intends to encourage individuals in accounting fraud reporting. Key revisions are:</p> <ul style="list-style-type: none"> • The threshold for determining large unlisted companies that are subject to similar accounting regulations as listed companies will be raised from KRW100 billion or more in assets to KRW500 billion or more; • Company management will be incentivised to take responsibility for accounting management and to encourage voluntary internal control; and • Monetary rewards and protection for individuals reporting on accounting fraud activities will be increased. <p>The revised bill became effective on 2 May 2023.</p> <p>Threshold on Large Unlisted Companies to be Made More Reasonable in Accounting Rules</p>	Effective 2 May 2023
10	FSC Korea	FSC Approves Financial Hub Development Plan for 2023-2025	<p>On 21 June 2023, the FSC KR held its 12th regular meeting, during which the 2023 – 2025 financial hub development plan was finalised and approved. The plan includes the following key task areas:</p> <ul style="list-style-type: none"> • Pursue innovative approaches in financial regulation and increase support for fintech businesses; • Establish relevant infrastructures to take advantage of the evolving trends in the financial environment and to improve the foreign exchange trading system; • Overhaul regulations to increase global investment in the domestic capital market and enhance the global competitiveness of Korean capital markets and asset management markets; and • Utilise financial industry globalisation taskforce to actively support overseas business expansion of domestic financial companies, and form synergies with efforts to promote foreign financial companies' entry into the domestic market. <p>FSC Approves Financial Hub Development Plan for 2023-2025</p>	-

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#	Issuing Authority	Title	Regulatory Update	Key Dates
1	FSC Taiwan	FSC Establishes "Trust 2.0 Phase 2 Plan Evaluation and Incentive Measures"	<p>On 6 April 2023, the Financial Supervisory Commission (FSC Taiwan) announced the <i>Trust 2.0 Phase 2 Plan Evaluation and Incentive Measures</i> supporting the FSC Taiwan's <i>Phase 2 of the Trust 2.0 "Comprehensive Trust" Implementation Plan (Trust 2.0 Phase 2 Plan)</i> issued in September 2022. The new measures were formed to encourage trust enterprises in trust service enhancement. The 2.0 phase of incentives measures is an extension of the evaluation and incentive system used in the initial phase, it has also set up 5 awards based on the key objectives and measures of the Trust 2.0 Phase 2 Plan.</p> <p>The 2.0 incentives measures will be implemented in two phases, running from 1 January 2023 – 31 December 2024.</p> <p>FSC Establishes "Trust 2.0 Phase 2 Plan Evaluation and Incentive Measures" to Continuously Encourage Trust Enterprises to Develop Progressive Trust Services</p>	1 January 2023 – 31 December 2024
2	FSC Taiwan	Amendment of Article 2 and Article 4 of the "Regulations Governing Issuance of NTD Bank Debentures by Foreign Bank Branches"	<p>On 6 April 2023, the FSC Taiwan issued the finalised revised articles 2 and 4 of the regulations governing issuance of NTD bank debentures by foreign branches with immediate effect. The revised regulations were implemented to motivate foreign bank branches to support carbon reduction efforts and engage in sustainable economic practices. Moreover, the revisions also aim to enable foreign bank branches to extend financing for sustainability and low-carbon transition initiatives, contributing to the achievement of carbon reduction targets.</p> <p>The FSC Taiwan relaxed the scope of the use of funds raised through debentures issued by foreign branches to cover general and forward-looking economic activities identified in the <i>Taiwan Sustainable Taxonomy</i>. Furthermore, the FSC Taiwan mandates foreign bank branches to establish audit and management mechanisms to ensure proper fund usage.</p> <p>Amendment of Article 2 and Article 4 of the "Regulations Governing Issuance of NTD Bank Debentures by Foreign Bank Branches"</p>	-
3	FSC Taiwan	The FSC Announces Partial Amendments to the Articles of the "Securities Investor and Futures Trader Protection Act"	<p>On 9 May 2023, the FSC Taiwan announced the proposed amendments to some articles of the <i>Securities Investor and Futures Trader Protection Act</i> for consultation. The FSC Taiwan aims to further enhance the legal framework for securities representative actions and discharge actions, promote corporate governance, and handle litigation judgement notifications through the amendments.</p> <p>The proposed modifications consider the increasing complexity and volume of litigation filed by the Securities Investor and Futures Investor Protection Centre, as well as the increasing burden of proof, following the commencement of <i>Commercial Case Adjudication Act</i> in July 2021.</p> <p>The FSC Announces Partial Amendments to the Articles of the "Securities Investor and Futures Trader Protection Act" to Promote Corporate Governance and Improve Investor Protection</p>	-
4	FSC Taiwan	FSC amends the "Directions for Encouraging the Public to Report Illegal Financial Activities by the Financial Supervisory Commission"	<p>On 13 June 2023, the FSC Taiwan announced proposed amendments to <i>Directions for Encouraging the Public to Report Illegal Financial Activities by the Financial Supervisory Commission</i>. The FSC Taiwan proposed the amendments to increase the public's willingness to report illegal financial activities, increase incentives for whistle-blowers, and maintain financial market order effectively. Key amendment areas include changes to Article 5 on Reward Distribution Standards and Article 9 relating to whistle-blower rewards.</p> <p>FSC amends the "Directions for Encouraging the Public to Report Illegal Financial Activities by the Financial Supervisory Commission" today</p>	-

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#	Issuing Authority	Title	Regulatory Update	Key Dates
1	SECT	SEC public hearing on a draft regulation regarding prohibition of digital asset business operators' provision of or involvement with crypto deposit taking and lending services	<p>On 7 April 2023, the consultation period of SECT's proposed regulation regarding prohibition of digital asset business operators' provision of/or involvement with crypto deposit taking and lending services has ended.</p> <p>Under existing SECT policies, digital asset business operators are prohibited from providing or supporting deposit taking and lending services. However, due to digital asset businesses are currently not subject to state supervision, the proposed new regulations will further clarify the scope of digital asset business supervision and outline the activities that digital asset business operators are prohibited from.</p> <p>SEC public hearing on a draft regulation regarding prohibition of digital asset business operators' provision of or involvement with crypto deposit taking and lending services</p>	Consultation ended 7 April 2023
2	SECT	SEC public hearing on proposed regulations to allow SMEs and startups to offer sustainability-themed bonds via crowdfunding and private placement	<p>On 17 April 2023, the SECT ended the consultation issued on 16 March 2023 regarding proposed regulations to allow small and medium-sized enterprises (SME) and start-ups to offer sustainability-themed bonds through crowdfunding and private placement.</p> <p>The objective of the proposal is to increase SMEs' and start-ups' involvement in promoting sustainable development, strengthen the role of the capital market in addressing social and environmental issues and promote sustainable development for business of all sizes and types. Thereby, the SECT proposed amendments to debt securities offering regulation to support the issuance and offering of sustainability-themed bonds through crowdfunding and private placement (PP-10) channels.</p> <p>The amendments also support sustainability-themed bond offerings through convertible debentures by private limited companies (PP-SME). The proposed amendments include revisions to disclosure requirements for sustainability-themed bonds and sustainability issues before and after issuance in accordance with global standards.</p> <p>SEC public hearing on proposed regulations to allow SMEs and startups to offer sustainability-themed bonds via crowdfunding and private placement</p>	Consultation ended 17 April 2023
3	SECT	SEC public hearing on proposed subordinate regulations under the Emergency Decree on Special Purpose Juridic Persons for Securitisation B.E. 2540 (1997)	<p>On 12 June 2023, the Securities and Exchange Commission, Thailand (SECT) launched a public consultation on the proposed subordinate regulations under the <i>Emergency Decree on Special Purpose Juridic Persons for Securitisation B.E. 2540 (1997)</i>. The proposed subordinate regulations outline the SECT's guidance to the private sector on conducting business and ensuring proper compliance with the law.</p> <p>The proposed requirements include:</p> <ul style="list-style-type: none"> • Added definition of future receivables under Section 3 of the SPV Act; and • Added disclosure criteria, conditions, and procedures for information related to transfer of assets which are rights of claim and of the appointment of a new agent for debt collection pursuant to Paragraph 2 of Section 15 of the SPV Act. <p>The consultation ended on 10 July 2023.</p> <p>SEC public hearing on proposed subordinate regulations under the Emergency Decree on Special Purpose Juridic Persons for Securitisation B.E. 2540 (1997)</p>	Consultation ended 10 July 2023

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#	Issuing Authority	Title	Regulatory Update	Key Dates
1	SBV	Regulation on Capital Adequacy Ratio for Foreign Banks and Branches	<p>On 21 April 2023, the State Bank of Vietnam (SBV) issued the draft Circular on amendments and supplementary articles on regulations on capital adequacy ratio for foreign banks and branches for consultation. The Draft Circular amends and supplement some articles of <i>Circular No. 41/2016/TT-NHNN prescribing the Capital Adequacy Ratio for Operations of Banks and/or Foreign Bank Branches</i> dated 30 December 2016.</p> <p>Key amendments and supplements are:</p> <ul style="list-style-type: none"> • Modify the claim/transaction exposure calculation formula after risk mitigation; • Regulation on determining credit ratings for financial institutions and expand regulated entities; • Supplement regulation on loan portfolios under government-supported housing projects, credit ratings for industrial real estates. <p>Regulation on Capital Adequacy Ratio for Foreign Banks and Branches</p>	-
2	Government of Vietnam	Decree on Elaborating on Several Articles of Anti-Money Laundering Law	<p>On 28 April 2023, the Government of Vietnam issued the <i>Decree on Elaborating on Several Articles of Anti-Money Laundering (AML) Law</i>, effective as of its issuance date. The Decree outlines articles and clauses of the Law on Anti-Money Laundering, covering:</p> <ul style="list-style-type: none"> • National assessment of money laundering risks; • AML measures – including customer identification, criteria for the determination of beneficial owners, details on unusually high-value and complex transactions, reporting entities’ obligation to submit information, records, documents, materials, and reports upon request of competent agencies; • Requirements relating to the collection, processing, analysis, exchange, provision, and transfer of AML information; and • Application of transaction postponement measures – including the basis for suspecting or detecting blacklisted transaction-related parties, and reporting requirements. <p>Decree on Elaborating on Several Articles of Anti-Money Laundering Law</p>	Effective 28 April 2023
3	Government of Vietnam	Decree on Protection of Personal Data	<p>On 14 April 2023, the Government of Vietnam issued the <i>Decree on Protection of Personal Data (Decree 13)</i>, which came into effect on 1 July 2023.</p> <p>The Decree was developed to strengthen personal data protection and prevent personal data violations that affect the rights and interests of individuals and organisations. Both domestic and overseas entities or individuals that are involved in personal data processing in Vietnam are required to comply with the Decree.</p> <p>Decree on Protection of Personal Data</p>	Effective 1 July 2023

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4	SBV	Draft Amendments and Supplements Prescribing the Provision of Derivatives by Commercial Banks and Foreign Bank Branches	<p>On 25 April 2023, the SBV issued the draft circular on amending and supplementing various articles of <i>Circular 40/2016/TT-NHNN Prescribing Provision of Derivatives by Commercial Banks and Foreign Bank Branches</i> for consultation.</p> <p>The draft Circular amends the portfolio of underlying commodities following an expanded direction; supplements regulations on foreign currency trading related transactions, the right to disburse compulsory loans to customers, reporting regime, etc. The amendments will apply to commercial banks and foreign bank branches.</p> <p>Draft Circular Amending and Supplementing Circular 40/2016/TT-NHNN Prescribing Provision of Derivatives by Commercial Banks and Foreign Bank Branches</p>	-
5	Prime Minister of Vietnam	Decision on Range of Values of Which Transactions are Subject to Mandatory Reporting	<p>On 27 April 2023, the Prime Minister of Vietnam issued <i>Decision No. 11/2023/QĐ-TTg on Range of Values of Which Transactions are Subject to Mandatory Reporting</i>. The Decision specifies that transactions that meet or exceed 400.000.000 VND are classified as high-value transactions and subject to SVB mandatory reporting according to Clause 2 Article 25 of the <i>Law on Anti-Money Laundering</i>.</p> <p>The Decision will come into effect on 1 December 2023.</p> <p>Decision on Range of Values of Which Transactions are Subject to Mandatory Reporting</p>	Effective 1 December 2023

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