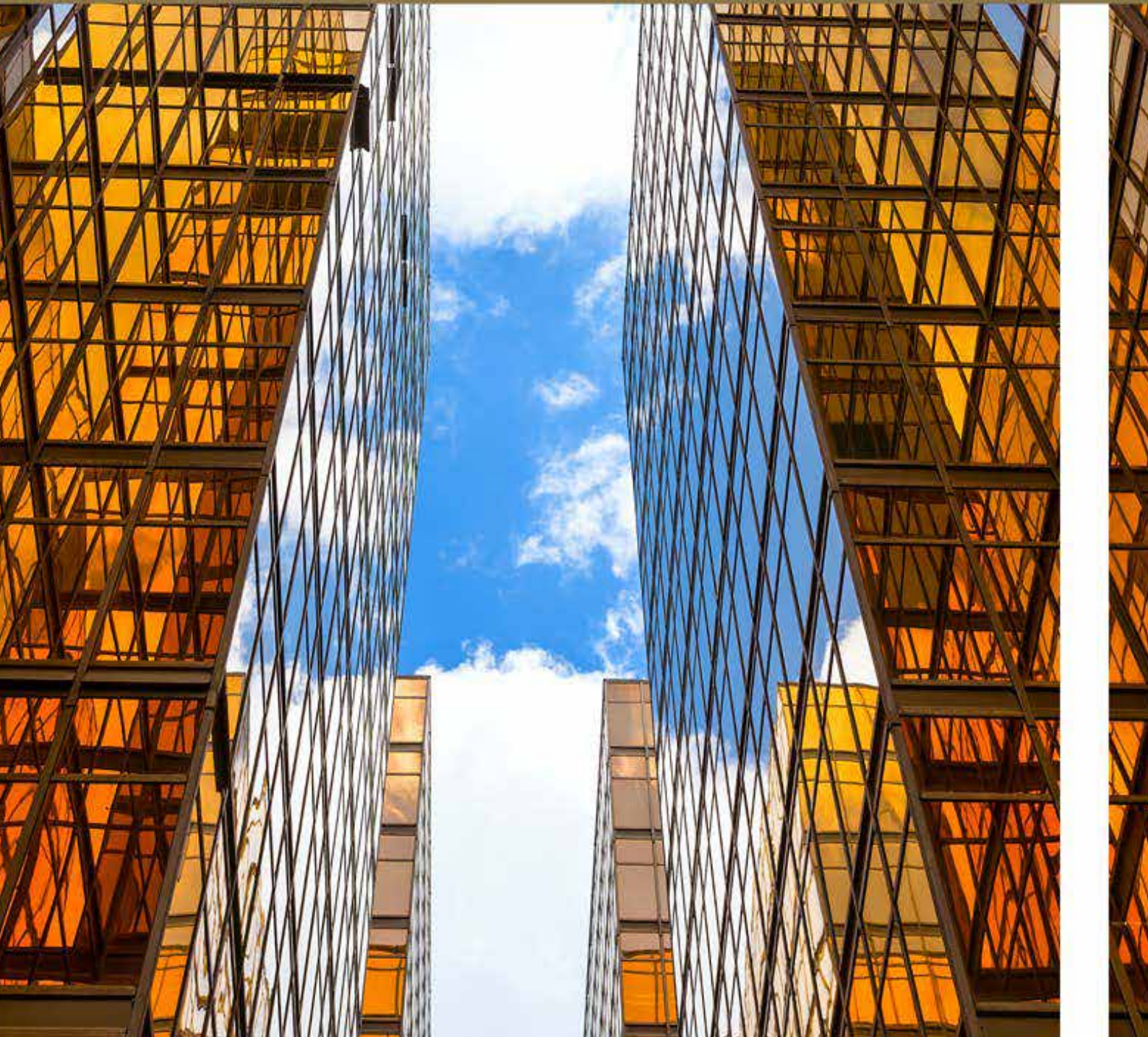


# Regulatory Tracking

Q4 2021



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## About ComplianceAsia

The exclusion of certain countries indicates that no updates and/or consultations were identified during this quarter. Countries excluded include: Indonesia.



# AUSTRALIA

## Regulatory Updates

### Australian Securities and Investments Commission (ASIC)

- [ASIC extends relief measures for financial advisors in response to COVID-19](#)

ASIC extended the 'record of advice' relief measure, which allows financial advisers to provide a record of advice, rather than a statement of advice, to existing clients requiring financial advice due to the impact of the pandemic for the increased need for time-critical advice due to the ongoing COVID-19 restrictions. The relief will now end on 15 April 2022.

<b>Date of Release:</b>	14 October 2021
<b>Implementation on:</b>	14 October 2021
<b>Applicable to:</b>	Financial Advisors

- [ASIC's approach to new laws reforming financial services sector](#)

The Financial Sector Reform Act 2021 implements the Federal Government's response to the Financial Services Royal Commission Final Report Recommendation 2.10: New financial adviser disciplinary system. A key reform is to give the Financial Services and Credit Panel ("FSCP") its own statutory functions and powers. The powers of the FSCP under the Act include the power to direct financial advisers to undertake specified training, counselling or supervision and to report certain matters to ASIC. An FSCP may also: suspend or cancel a financial adviser's registration; issue infringement notices in specified circumstances; recommend that ASIC commence civil penalty proceedings; and enter into enforceable undertakings with financial advisers.

<b>Date of Release:</b>	22 December 2021
<b>Implementation on:</b>	01 January 2022
<b>Applicable to:</b>	Financial Services and Credit Panel

## Consultations

### Australian Securities and Investments Commission (ASIC)

- [ASIC Releases Consultation on Remaking Class Order](#)

ASIC released a consultation paper on remaking the class order where a quote for a general insurance product is given during a telephone call that is not unsolicited, which is due to automatically repeal on 1 April 2022. ASIC invites submissions as to whether the class order is currently operating effectively and efficiently and should therefore be remade; the conditions of relief should remain unchanged; and the remade legislative instrument should remain in force for 5 years or for a different period of time.

<b>Consultation Period:</b>	15 November 2021 – 17 December 2022
<b>Applicable to:</b>	Financial Institutions

- [\*\*ASIC Releases Consultation on Extended Remediation\*\*](#)

ASIC released a consultation paper on extended remediation to return money owed to consumer, covering all financial services licensees, credit licensees and retirement service providers, setting out how all licensees should act to ensure their remediations are conducted efficiently, honestly and fairly. The draft guidance is comprehensive and makes allowance for licensees to tailor it to the circumstances of their particular remediation. It has been informed by ASIC's operational experience and benefitted from extensive earlier consultation.	
<b>Consultation Period:</b>	17 November 2021 – 11 February 2022
<b>Applicable to:</b>	Financial Services Licensees, Credit Licensees and Retirement Service Providers

- [\*\*ASIC Releases Consultation on superannuation calculators and retirement estimates\*\*](#)

ASIC released a consultation paper on proposed updates to relief and guidance for superannuation forecasting tools. It proposed to, among other things, adopt a single framework for how calculators and retirement estimates may be provided under ASIC's relief, which will require trustees to have greater consistency between the assumptions used across their retirement estimates and superannuation calculators and set standard assumptions for retirement ages and inflation rates that must be used as the defaults, to foster consistency across the industry.	
<b>Consultation Period:</b>	18 November 2021 – 28 January 2022
<b>Applicable to:</b>	Industry Participants, Consumer Groups, and Actuaries

- [\*\*ASIC Releases Consultation on Relief for Simple Arrangements\*\*](#)

ASIC issued a consultation paper for simple arrangements, seeking opinions on whether to extend the written notice exemption, which was first introduced in 2013, for credit providers and lessors who enter into simple arrangements with consumers in hardship, including, among others, the impact on consumers if relief is extended or expires. The current relief of the hardship contract variation of 90 days or less will expired on 1 March 2022.	
<b>Consultation Period:</b>	08 December 2021 – 01 February 2022
<b>Applicable to:</b>	Credit Providers and Lessors



## MAINLAND CHINA

### Regulatory Updates

#### China Banking and Infrastructure Regulatory Commission (CBIRC)

- [Announcement of Measures of Supervision of Accidental Death and Dismemberment Insurance Business](#)

The CBIRC announced the Measures of Supervision of Accidental Death and Dismemberment Insurance Business to promote high quality of the service development, aiming to improve the market-base mechanism of insurance premiums; to strengthen the standard of disclosure of information; to lower the levels of commissions rate; and to implement the list for negative sales activities.

Date of Release:	13 October 2021
Implementation on:	13 October 2021
Applicable to:	Banking and Insurance Institutions

- [Announcement of Measures of Supervision of the Conduct of the Major Shareholders of the Banking and Insurance Institutions](#)

The CBIRC announced under the Measures of Supervision of the Conduct of the Major Shareholders of the Banking and Insurance Institutions (for Trial Implementation) that the interference in the normal operation will be banned. The measures strengthen the responsibilities and obligations of the major shareholders, unify the supervision standards, and to draw up lists of rights and obligations, and the lists of negative behaviours of major shareholders.

Date of Release:	14 October 2021
Implementation on:	14 October 2021
Applicable to:	Banking and Insurance Institutions

- [Issuance of Notice on Standardising Matters Related to the Measures for the Regulation of Internet Insurance Business and Notice in relation to the Backtracking Mechanism of Internet Insurance Business](#)

The CBIRC issued the Notice on Standardising Matters Related to the Measures for the Regulation of Internet Insurance Business. The notice aims to standardise the risks in Internet Insurance Business, to unify the operation channel and service standards. CBIRC also issued the Notice in relation to the Backtracking Mechanism of Internet Insurance Business, and this will be effective from 1 January 2023 to clarify the business conditions of Internet Insurance Companies; to implement the exclusive management of the Internet Insurance Companies; and to strengthen the supervision of the internet business behaviours.

Date of Release:	22 October 2021
Implementation on:	31 December 2021 and 10 January 2023
Applicable to:	Internet Insurance Companies

- [Announcement of the Implementation of the Measures for the Administration of the Reserves of Non-life Insurance Business of Insurance Companies](#)

The CBIRC announced the Implementation of the Measures for the Administration of the Reserves of Non-life Insurance Business of Insurance Companies which lists out general provisions on defining the scope of an organisation and the relevant applicable business; the definition of various reserves of non-life insurance business; the internal control management of insurance companies; the supervision and management on the business and related legal liability.	
<b>Date of Release:</b>	27 October 2021
<b>Implementation on:</b>	01 December 2021
<b>Applicable to:</b>	Insurance Institutions

- [Implementation Measures for the Administrative Licensing and Filing of Insurance Intermediaries](#)

The CBRIC promulgated the “Implementation Measures for the Administrative Licensing and Filing of Insurance Intermediaries”. The measures are to regulate the administrative licensing implementation and filing behaviours in the insurance intermediary market, clarify the administrative licensing conditions and procedures and filing matters, and protect the legitimate rights and interests of applicants.	
<b>Date of Release:</b>	05 November 2021
<b>Implementation on:</b>	01 February 2022
<b>Applicable to:</b>	Insurance Intermediaries

- [Issuance of Notice on Adjustment of Credit Rating Requirements for Insurance Funds Investment in Bonds and Other Related Matters](#)

The CBRIC issued the “Notice on Adjustment of Credit Rating Requirements for Insurance Funds Investment in Bonds and Other Related Matters”. The notice sets forth the requirements for regulating the bond investment conduct of insurance funds and preventing the risk of capital dissipation. The issuance and implementation of the notice contribute to expanding the scope of insurance capital utilisation and optimising the allocation of insurance assets; expanding the space for insurance institutions to make independent decisions and strengthening their own risk management capabilities; establishing and improving the classification and supervision mechanism and introducing differentiated supervision; reducing reliance on external ratings for supervision; and helping the bond market develop in a high-quality and healthy manner.	
<b>Date of Release:</b>	19 November 2021
<b>Implementation on:</b>	19 November 2021
<b>Applicable to:</b>	Insurance Institutions

- [Announcement of Notice of Issues Related to the Rules for Measuring Assets at Risk of Default for Derivatives Counterparties](#)

The CBRIC announced the “Notice of Issues Related to the Rules for Measuring Assets at Risk of Default for Derivatives Counterparties”. The notice clarifies that eligible commercial banks may net exposures to derivative counterparties and accrue capital and permitted transactions between commercial banks and financial institutions approved by China's financial supervision and management authorities.	
<b>Date of Release:</b>	26 November 2021
<b>Implementation on:</b>	26 November 2021
<b>Applicable to:</b>	Commercial Banks

- [Issuance of Measures on Supervision and Administration of Insurance Group Companies](#)

The CBRIC issued the “Measures on Supervision and Administration of Insurance Group Companies”, with immediate effect. The measures include strengthening governance supervision of insurance group companies, improving group risk management, adding specific regulatory requirements such as the risk appetite system, improving supervision of non-insurance subsidiaries, and emphasising supervision of consolidated financial statements and information disclosure.	
<b>Date of Release:</b>	09 July 2021
<b>Implementation on:</b>	09 July 2021
<b>Applicable to:</b>	Insurance Group Companies

- [Issuance of the Notice on Clarifying Measures Related to the Opening of the Insurance Intermediary Market to the Outside World](#)

The CBIRC issued the Notice on Clarifying Measures Related to the Opening of the Insurance Intermediary Market to the Outside World ("Notice"). The Notice contains articles lifting the restrictions on the entry of foreign insurance brokerage companies and no longer requires the years of operation of shareholders, total assets and other conditions; lowering the entry threshold for foreign insurance intermediaries and allows foreign insurance group companies and domestic foreign insurance group companies to invest in the establishment of insurance intermediaries to conduct relevant insurance intermediary business; and others.	
<b>Date of Release:</b>	17 December 2021
<b>Implementation on:</b>	17 December 2021
<b>Applicable to:</b>	Insurance Intermediary

- [Issuance of the Measures for Supervision of Information Technology Outsourcing Risks of Banking and Insurance Institutions](#)

The CBIRC issued the Measures for Supervision of Information Technology Outsourcing Risks of Banking and Insurance Institutions ("the Notice"). The notice covers IT responsibilities for outsourcing, conditions for entering technology outsourcing, monitoring and evaluation of outsourcing, risk management, and supervision and management to further strengthen the supervision of IT outsourcing risk of financial institutions.	
<b>Date of Release:</b>	30 December 2021
<b>Implementation on:</b>	30 December 2021
<b>Applicable to:</b>	Banking and Insurance Institutions



## The People's Bank of China (PBOC)

- [Announcement of Opinions Concerning the Standardisation of Financial Sector Open Sources Technology Application and Development](#)

The PBOC, CBIRC, CSRC, the Cyberspace Administration of China (“CAC”), and the Ministry of Industry and Information Technology (MIIT) jointly issued the “Opinions Concerning the Standardisation of Financial Sector Open Sources Technology Application and Development” that outline the requirements and obligations of the financial institutions to include own digitisation development plans on the applications with adequate assessment and compliance inspection system; while the regulatory to improve guidance, and establish regulatory systems for the applicants; and to standardise the open source technology and its application.

<b>Date of Release:</b>	20 October 2021
<b>Implementation on:</b>	20 October 2021
<b>Applicable to:</b>	Financial Institutions

## Consultations

### China Banking and Insurance Regulatory Commission (CBIRC)

- [Consultation on Matters Relating to the Issuance of Unfixed Term Capital Bonds by Insurance Companies](#)

The CBIRC issued the “Notice of the People's Bank of China’s China Banking Regulatory Commission on the Public Consultation on Matters Relating to the Issuance of Unfixed Term Capital Bonds by Insurance Companies (Draft for Comments)”. The notice allows insurance companies to issue capital supplement bonds in the interbank market to supplement subsidiary Tier 1 capital, allowing them to increase their capital strength and enhance their ability to serve the real economy.

<b>Consultation Period:</b>	19 November 2021 – 18 December 2021
<b>Applicable to:</b>	Insurance Companies

- [Consultation on Regulations for Insurance Asset Management Companies](#)

The CBIRC sought public comments on the "Regulations for Insurance Asset Management Companies (Draft for Comments)" ("Regulations"). The Regulations provides room for market-oriented operation and differentiated development of insurance asset management companies, which helps guide and promote the standardised operation of insurance asset management companies, better meet the management needs of insurance funds, etc., and provide more medium- and long-term capital support for the high-quality development of the real economy.

<b>Consultation Period:</b>	10 December 2021 – 10 January 2022
<b>Applicable to:</b>	Insurance Asset Management Companies

## China Securities Regulatory Commission (CSRC)

- [Consultation on Administrative Provisions on Overseas Issuance of Securities and Listing by Domestic Enterprises](#)

The CSRC issued the public consultation notice on the "Administrative Provisions on Overseas Issuance of Securities and Listing by Domestic Enterprises (Draft for Public Comments)" ("Administrative Provisions"). The main ideas of the provision are to clarify the scope criteria, the responsibilities of regulators, strengthen cooperation between regulators, improve cross-border cooperation in securities regulation and strengthen compliance of enterprises and intermediaries and to relax restrictions on issuance targets and currency restrictions and apply filing management to direct listings abroad.

<b>Consultation Period:</b>	24 December 2021 – 23 January 2022
<b>Applicable to:</b>	Listing Companies

## Securities Association of China (SAC)

- [Consultation on Notice on Issuing the Group Standards of Practice for the Securities Association of China](#)

The SAC issued a Consultation on "Notice on Issuing the Group Standards of Practice for the Securities Association of China" to seek public comments on standardising the allocations of resources, to understand the actual work and needs to improve the system of the securities industry; and to strengthen the Group Practice among the institutions.

<b>Consultation Period:</b>	14 October 2021 – 15 November 2021
<b>Applicable to:</b>	The Securities Industry



# HONG KONG

## Regulatory Updates

### Securities and Futures Commission (SFC)

- [SFC sets out operational resilience standards and remote working arrangements](#)

The SFC published a regulatory report which discusses measures on how to manage possible risks of remote working arrangements like work from home which has become part of many licensed corporations ("LCs") business continuity strategy. LCs have faced significant disruptions during Covid-19 pandemic which tested the reliability of their information systems, internal controls, facilities for providing client services and management of third-party service providers.

<b>Date of Release:</b>	04 October 2021
<b>Implementation on:</b>	04 October 2021
<b>Applicable to:</b>	Regulated Institutions

- [Circular to licensed corporations on cancellation of quarantine exemption arrangements](#)

The SFC announced it would no longer accept new applications under the Exemption Scheme with immediate effect. The change was due to the cancellation of the quarantine exemption arrangements for certain categories of persons in the financial services sector in accordance with the Compulsory Quarantine of Certain Persons Arriving at Hong Kong Regulation (Cap. 599C) and the Compulsory Quarantine of Persons Arriving at Hong Kong from Foreign Places Regulation (Cap. 599E) announced by the Hong Kong Special Administrative Region Government.

<b>Date of Release:</b>	01 November 2021
<b>Implementation on:</b>	01 November 2021
<b>Applicable to:</b>	Senior Executives of Licensed Corporations

- [Circular to management companies of SFC-authorized unit trusts and mutual funds - enhanced fund data reporting](#)

The SFC refined the existing requirements on SFC-authorized funds for enhanced fund data reporting due to the international regulatory developments on fund data reporting. Refinements include, among other things, liquidity profile, subscription and redemption, and asset allocation and leverage exposure to be reported quarterly. The first report date for the refined requirements will be 31 December 2021.

<b>Date of Release:</b>	11 November 2021
<b>Implementation on:</b>	11 November 2021
<b>Applicable to:</b>	Funds

- [Circular in relation to the clearing and record keeping rules for the OTC derivatives regime](#)

The revised list of persons designated as financial services providers (FSPs) for the purposes of the Securities and Futures (OTC Derivative Transactions—Clearing and Record Keeping Obligations and Designation of Central Counterparties) Rules (Clearing Rules) was gazetted. If Licensed Persons' average total position in OTC derivatives during a Calculation Period reaches the corresponding Clearing Threshold, relevant OTC derivative transactions entered into on and after the corresponding Prescribed Day, including those with FSPs must be centrally cleared in accordance with the Clearing Rules.

<b>Date of Release:</b>	03 December 2021
<b>Implementation on:</b>	01 January 2022
<b>Applicable to:</b>	Financial Service Providers

- [Circular on Scheme for quarantine-free travel to Mainland China](#)

The SFC issued a circular that sets out the eligibility criteria and pre-registration procedures for eligible executives of licensed corporations (“LCs”) to participate in the first phase of the Hong Kong Special Administrative Region Government's scheme for quarantine-free travel to the Mainland, where phase 1 of the scheme covers travel to Guangdong Province only.

<b>Date of Release:</b>	13 December 2021
<b>Implementation on:</b>	08 July 2021
<b>Applicable to:</b>	Financial Service Providers

- [SFC to introduce next generation digital licensing platform](#)

The SFC's next generation licensing platform launched on WINGS on 3 January 2022. The fully digitalised platform provides a one-stop, comprehensive service for users to prepare, electronically sign and submit licensing forms, track the progress of applications, pay licensing fees and communicate directly with the SFC. A companion mobile application, WINGS Mobile App, will offer key features of the website version. New electronic licensing forms for licence applications, annual returns, notifications and regulatory filings are to be submitted through WINGS, paper forms for corporate applications will only be accepted until 31 March 2022.

<b>Date of Release:</b>	15 December 2021
<b>Implementation on:</b>	03 January 2022
<b>Applicable to:</b>	Regulated Parties

## Hong Kong Exchange and Clearing Limited (HKEX)

- [HKEX published net-zero guide and announces new ESG data display](#)

The HKEX announced two new initiatives to support businesses and investors in their sustainability journey, helping facilitate the net-zero transition across the region for companies' better understanding of their greenhouse gas emissions, a Net-Zero Guide for Hong Kong listed issuers, and any other corporations looking for guidance and insight, on charting their net zero carbon journey. The HKEX also introduced a new equities section on STAGE, a multi-asset platform that encourages greater transparency on sustainable financial products to both institutional and retail investors and displays ESG metrics of Hong Kong-listed companies published by leading ESG data providers.

<b>Date of Release:</b>	02 December 2021
<b>Applicable to:</b>	Financial Investors



- [An agreement is reached by HKE with SSE, SZSE, SZSE and CSDC](#)

The HKEX reached an agreement with Shanghai Stock Exchange, Shenzhen Stock Exchange, and China Securities Depository and Clearing Corporation regarding on the Stock Connect inclusion arrangements for eligible ETFs, reflecting the ongoing commitment of HKEX and its Mainland partners to continue expanding and enhancing the landmark mutual market access program between the capital markets of Mainland China and Hong Kong, the inclusion of ETFs will provide investors with more options by broadening the existing Connect product ecosystem as well as support the continued development of both markets.

<b>Date of Release:</b>	24 December 2021
<b>Applicable to:</b>	Financial Institutions

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## Consultations

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### Securities and Futures Commission (SFC)

- [SFC to introduce eight new calculation periods under the Clearing Rules for over-the-counter derivative transactions](#)

The SFC and HKMA issued a joint consultation on adding 8 new calculation periods for mandatory clearing for over-the-counter derivatives (OTC) in Hong Kong, in order to ensure new dealers entering into Hong Kong's OTC derivatives market and any prescribed persons who have expanded their OTC derivative business to reach the Clearing Threshold, can be identified on a timely basis for the purposes of mandatory clearing and reduce the risk of market participants manipulating their positions for a particular Calculation Period to circumvent the clearing obligation.

<b>Consultation Period:</b>	16 December 2021 – 21 January 2022
<b>Applicable to:</b>	Financial Institutions



## Regulatory Updates

### Securities and Exchange Board of India (SEBI)

- [Deadline extension – Issues and Listing](#)

The SEBI announced that it has granted a further extension of the deadline regarding the issues and listing procedural matters to 31 March 2022. Meanwhile, in order to comply with the requirements, a Vulnerability Test should be completed with an independent IT auditor for any firms that provide the optional 'non-cash mode only' mechanism. The subsequent report should be submitted to the relevant Stock Exchange.

<b>Date of Release:</b>	01 October 2021
<b>Implementation on:</b>	01 October 2021
<b>Applicable to:</b>	Listed Entities, Registered Bankers

- [Circular on Mutual Funds](#)

SEBI informed relevant market participants about the mandatory measures that shall be in place if mutual fund distributors, registered investment advisers and select service providers or platforms other than stock exchanges are to execute transactions in the units of mutual funds, including measures to avoid third-party payments and to protect unitholders' interests.

<b>Date of Release:</b>	04 October 2021
<b>Implementation on:</b>	04 October 2021
<b>Applicable to:</b>	Mutual Funds

- [Circular on Minimum percentage of trades carried out by mutual funds through RFQ platform](#)

SEBI announced their decision to increase the minimum percentage of total secondary market trades executed by mutual funds on the request for quote platform under different scenarios. Mutual Funds are permitted to accept the Contract Note from the brokers for transactions carried out in One-to-one (OTO) and One-to-many (OTM) modes of RFQ platform.

<b>Date of Release:</b>	06 October 2021
<b>Implementation on:</b>	01 December 2021
<b>Applicable to:</b>	Mutual Funds

- [SEBI issues Directions to NCDEX regarding trading in Mustard Seed contracts](#)

SEBI issued 2 directions to National Commodity & Derivatives Exchange Limited (NCDEX) in respect of trading in Mustard Seed contracts, including no new Mustard Seed contracts shall be launched till further order, and in respect of running contracts, no new position may be taken, only squaring up of positions will be allowed.

<b>Date of Release:</b>	08 October 2021
<b>Implementation on:</b>	08 October 2021
<b>Applicable to:</b>	Investors

- [Amendment to SEBI Circulars pertaining to Investor Grievance Redressal System and Arbitration Mechanism](#)

SEBI informed the recognised stock exchanges which provide for commodity derivatives segment of its modification and addition to a circular released earlier on investor grievance redressal system and arbitration mechanism, in particular clarification was provided on the formation of the exclusive panel for appeal, the place of arbitration and the restriction on the threshold to interim relief.	
<b>Date of Release:</b>	22 October 2021
<b>Implementation on:</b>	01 January 2022
<b>Applicable to:</b>	Stock Exchanges

- [Segregation and Monitoring of Collateral at Client Level – Extension of timeline](#)

SEBI released a circular extending the timeline for provisions of a circular on Segregation and Monitoring of Collateral at Client Level from 20 July 2021 to come into effect on 28 February 2022 instead of 01 December 2021. The circular is to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.	
<b>Date of Release:</b>	22 November 2021
<b>Implementation on:</b>	22 November 2021
<b>Applicable to:</b>	Investors

- [Revised Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper](#)

SEBI released the Operational Circular for the issue of and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper, providing a framework for issuance, listing, and trading such instruments.	
<b>Date of Release:</b>	17 December 2021
<b>Implementation on:</b>	17 December 2021
<b>Applicable to:</b>	Financial Institutions

- [Extension of facility for conducting annual meeting and other meetings of unitholders of REITs and InvITs through Video Conferencing \(VC\) or through Other Audio-Visual means](#)

The SEBI released a circular extending the facility for conducting annual general meetings and other meetings of unitholders and REITs through videoconferencing or other audio-visual means to 30 June 2022.	
<b>Date of Release:</b>	22 December 2021
<b>Implementation on:</b>	22 December 2021
<b>Applicable to:</b>	Financial Institutions

## Reserve Bank of India (RBI)

- [Priority Sector Lending- Banks' lending to NBFCs for on-lending – Extension of facility](#)

The RBI issued a notification to inform scheduled commercial banks of the extended provision of bank lending facilities Non-Banking Financial Corporations (“NBFC”) up to 31 March 2022. Current loans under the scheme as on-lending will stay classified under the priority sector until repayment or maturity.

<b>Date of Release:</b>	08 October 2021
<b>Implementation on:</b>	08 October 2021
<b>Applicable to:</b>	Banks

- [Scale Based Regulation \(SBR\): A Revised Regulatory Framework for NBFCs](#)

The RBI issued a notification to non-banking financial companies to announce the introduction of an integrated regulatory framework tailor-made for them, to be followed by more elaborated guidelines. These guidelines shall be effective from 01 October 2022. The instructions relating to ceiling on IPO funding given vide para 3.1(d) of the Annex shall come into effect from 01 April 2022.

<b>Date of Release:</b>	22 October 2021
<b>Implementation on:</b>	01 October 2022
<b>Applicable to:</b>	Financial Companies

- [The Reserve Bank introduces Internal Ombudsman mechanism for select Non-Banking Financial Companies \(NBFCs\)](#)

The RBI introduced the Internal Ombudsman mechanism for selected Non-Banking Financial Companies. These selected companies have six months from the date of issue of direction to amend their internal grievance redress mechanisms. The direction covers, inter-alia, the appointment/tenure, role and responsibilities, procedural guidelines, and oversight mechanism for the IO. All complaints that are partly or wholly rejected by the NBFC will be reviewed by the IO before the final decision of the NBFC is conveyed to the complainant. The IO will not entertain any complainants directly from members of public.

<b>Date of Release:</b>	15 November 2021
<b>Implementation on:</b>	15 November 2021
<b>Applicable to:</b>	Financial Companies

## Consultations

### Securities and Exchange Board of India (SEBI)

- [Consultation Paper on “Review of Price Band and Book Building Framework for public issues”](#)

SEBI issued a consultation paper to collect public opinion regarding the proposed regulatory framework on price band and book building, in particular the allocation methodology in between Qualified Institutional Buyers, Non-institutional investors and Retail individual investors.

<b>Consultation Period:</b>	04 October 2021 – 30 October 2021
<b>Applicable to:</b>	Public and Industry



- [Consultation Paper on Capping of ISINs for Corporate Bonds](#)

SEBI issued a consultation paper to collect public opinion regarding the current restriction introduced in 2017 and 2018 on the maximum numbers of ISIN that debt listed entities could have based on the types of security products. Upon review of market utilisation, the SEBI proposes to downsize the maximum number of ISIN for certain types of products.	
<b>Consultation Period:</b>	22 October 2021 – 21 November 2021
<b>Applicable to:</b>	Financial Institutions

- [Consultation Paper on introducing disclosure norms for ESG Mutual Fund Schemes](#)

SEBI issued a consultation paper to collect public opinion regarding its proposed introduction of mandatory disclosure standardisation for local ESG Mutual Fund schemes, covering, among other things, details in Scheme Information Documents, their effects for ongoing monitoring and evaluation, additional disclosures with respect to engagements undertaken by AMC's to ESG Schemes.	
<b>Consultation Period:</b>	26 October 2021 – 16 November 2021
<b>Applicable to:</b>	Public and Industry

- [Consultation Paper for Market Making in Corporate Bonds](#)

SEBI released a consultation paper for public comments regarding a regulatory framework for market making in corporate bonds, proposing the responsibilities of the issuers and market makers, and market makers may create initial inventory of bonds for market making. Stock exchanges may consider providing incentives/ relaxation in transaction charges as an incentive for market makers. Any scheme on waiver/ rebate of fees given by the stock exchanges to market makers/ issuers shall be adequately disclosed prior to offering the same.	
<b>Consultation Period:</b>	16 November 2021 – 16 January 2021
<b>Applicable to:</b>	Listed Issuers and Market Makers

- [Consultation Paper on Review of certain aspects of Public issue framework under SEBI](#)

SEBI released a consultation paper for public comments on Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (ICDR Regulations) relating to framework of initial public offering with respect to objects of the issue – where the object is to make future acquisition / strategic investment without identifying specific targets; conditions for Offer for Sale (OFS) by significant shareholders; lock-in of shares for Anchor Investors and monitoring of General Corporate Purpose (GCP) amount.	
<b>Consultation Period:</b>	16 November 2021 – 30 November 2021
<b>Applicable to:</b>	Public and Industry

- [Consultation Paper on Review of certain provisions related to Preferential Issue guidelines](#)

SEBI announced a consultation reviewing provisions relating to Preferential Issues Guidelines under Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 regarding to various issues pertaining to the preferential issue guidelines, among other things, pricing, lock-in requirements, pledge.	
<b>Consultation Period:</b>	26 November 2021 – 30 July 2021
<b>Applicable to:</b>	Public and Industry

- [Consultation Paper on Developing unique set of commodities](#)

SEBI released a consultation paper to solicit comments/views from the public on the proposal regarding developing the concept of “One Commodity One Exchange” to reduce fragmentation of liquidity and help every stock exchange to develop an exclusive set of un-fragmented liquid contracts, to ensure that the concerned stock exchange develops all kinds of derivative contracts on a specific commodity exclusively.	
<b>Consultation Period:</b>	07 December 2021 – 08 January 2021
<b>Applicable to:</b>	Public and Industry

- [Consultation Paper on Algorithmic Trading by Retail Investors](#)

SEBI released a consultation paper to seek comments/views from various stakeholders including market intermediaries and the public on algorithmic trading being done by retail investors including the use of API access and automation of trades using the same. The extant provisions available for the use of algos for trading include, among other things, all algo order shall be tagged with a unique identifier provided by the stock exchange, the stock exchange shall have arrangements, procedures and system capability to manage the load on their systems, and the stock brokers shall satisfy the Exchange with regard to implementation of minimum levels of risk controls.	
<b>Consultation Period:</b>	09 December 2021 – 15 January 2021
<b>Applicable to:</b>	Market Intermediaries and the public



## Regulatory Updates

### Financial Services Agency (FSA)

- [Amendments to the Guidelines for Disclosure of Corporate Affairs](#)

The FSA finalised the amendments to the "Points to Note on Disclosure of Corporate Affairs, etc. (Guidelines for Disclosure of Corporate Affairs, etc.)" (provisional English title). In regard to securities registration statements for third-party allotments, the amendments further clarify the criteria for determining priority/focused screening as well as the screening procedures thereof with effective on the same day.

<b>Date of Release:</b>	07 October 2021
<b>Implementation on:</b>	07 October 2021
<b>Applicable to:</b>	Financial Institutions

- [Issuance of Drafts on Enforcement of the Financial Instruments and Exchange Act and Amendment on Financial Instruments Business](#)

The FSA proposed the draft "Enforcement Order of the Financial Instruments and Exchange Act" and the draft "Cabinet Office Order Amendment on Financial Instruments Business." In response to the recommendation stated in the second report by the "Working Group on Capital Market Regulations" (provisional English title) of the Financial System Council published in June 2021 to review the specifics of equity investment-type crowdfunding and private placement to a small number of investors, the proposal mainly intends to provide amendments to the following: (1) Calculation method of the total amount of issuance (less than JPY 100 million) for equity investment-type crowdfunding (2) Upper limit of investment amount (JPY 500,000) for investors in equity investment-type crowdfunding (3) Method for calculating the number of investors in a private placement to a small number of investors.

<b>Date of Release:</b>	11 October 2021
<b>Implementation on:</b>	11 October 2021
<b>Applicable to:</b>	Financial Institutions

- [Amendments to the Act on Partial Amendment of the Act on Sale, etc., of Financial Instruments, etc., to Improve the Convenience and Protection of Users of Financial Services](#)

The FSA published the finalised regulatory notice designating certain rules based on the provision of Article 21-5, Paragraph (1) of the Cabinet Office Order on Funds Transfer Service Providers (Cabinet Office Order No.4 of 2010). The amendments mainly relate to the partial implementation (from May 1, 2021) of the "Act on Partial Amendment of the Act on Sale, etc., of Financial Instruments, etc., to Improve the Convenience and Protection of Users of Financial Services" (provisional English Law Title) (Act No.50 of 2020) in relation to the "Payment Services Act."

<b>Date of Release:</b>	20 October 2021
<b>Implementation on:</b>	20 October 2021
<b>Applicable to:</b>	Funds Transfer Service Providers

- [Amendments to the Regulation on Terminology, Forms and Preparation of Consolidated Financial Statements](#)

The FSA finalised the amendments to the "designated IFRSs" notice set out in the "Regulation on Terminology, Forms and Preparation of Consolidated Financial Statements". The amendments essentially define international accounting standards issued by the IASB (International Accounting Standards Board) on 30 June 2021 as "designated international accounting standards" under Article 93 of the Regulation on Consolidated Financial Statements.	
<b>Date of Release:</b>	21 October 2021
<b>Implementation on:</b>	21 October 2021
<b>Applicable to:</b>	Listed Companies

- [Draft Notice on rules for Financial Instruments Firms Associations](#)

The FSA proposed the draft regulatory notice designating the rules of Financial Instruments Firms Associations certified by the FSA in accordance with Article 6, Paragraph (1), Item (iv) of the "Cabinet Office Order Amendment on Transactions under Article 161-2 of the Financial Instruments and Exchange Act and Deposits Related Thereto." The proposal mainly intends to designate the rules of financial instruments firm associations certified by the FSA in response to the enforcement of the said Cabinet Office Order, by which the current price and applicable rate regarding "substitute securities" in terms of margin transactions of foreign listed stocks and others have been expressly set out in the rules of the said associations.	
<b>Date of Release:</b>	26 October 2021
<b>Implementation on:</b>	26 October 2021
<b>Applicable to:</b>	Financial Instruments Firms Associations

- [Notice on Restrictions on Over-the-Counter-Derivatives Transactions](#)

The FSA published the final regulatory notice setting out certain rules based on Article 2, Paragraph (1) and (2) of the "Cabinet Office Order on Restrictions on Over-the-Counter-Derivatives Transactions" in response to the abolition of LIBOR. The regulatory notice primarily develops the rules in the relevant and applicable regulatory notice in response to the abolition of LIBOR, particularly in relation to OTC and other transactions carried out by operators of financial instruments and others.	
<b>Date of Release:</b>	05 November 2021
<b>Implementation on:</b>	06 December 2021
<b>Applicable to:</b>	Financial Institutions

- [Amendments to Comprehensive Guidelines for Supervision of Financial Instruments Business Operators and Comprehensive Guidelines for Supervision of Financial Services Intermediaries](#)

The FSA finalised amendments to the "Comprehensive Guidelines for Supervision of Financial Instruments Business Operators" and the "Comprehensive Guidelines for Supervision of Financial Services Intermediaries" with respect to matters to be considered when soliciting investments in investment trusts and explaining important matters relating to investment trusts rollovers. The amendments set forth provisions in the guidelines on a principled basis to ensure that explanations are provided in a manner that are truly consistent with the investment objectives and level of understanding of the relevant financial services users.	
<b>Date of Release:</b>	09 November 2021
<b>Implementation on:</b>	09 November 2021
<b>Applicable to:</b>	Financial Institutions



- [Announcements to the Partially Amend the Banking Act](#)

The FSA finalised the Cabinet Orders, Cabinet Office Orders, and others pertaining to the enforcement of the "Act to Partially Amend the Banking Act, etc.", with the purpose of revitalising Japan's economy and promoting the sustainability of regional banks' business models. These mainly update the scope of banking operations and service contents to be provided by the International Financial Centre by making relevant amendments/updates to the relevant and applicable Cabinet Orders, Cabinet Office Orders, regulatory notices, and comprehensive guidelines in connection with the enforcement of the said Act, which was promulgated on 26 May 2021.	
<b>Date of Release:</b>	10 November 2021
<b>Implementation on:</b>	22 November 2021
<b>Applicable to:</b>	Financial Institutions

- [Updates on the list of financial institutions meeting requirements of reporting format](#)

The FSA updated the list of financial institutions that meet certain fill-in requirements of the designated reporting format regarding the status of the initiatives and efforts they have taken to date and will take based on the "Principles for Customer-Oriented Business Conduct" by end of September 2021 to illustrate the initiatives and efforts of financial institutions. The FSA encouraged financial institutions to further visualise their customer-focused business conduct and comply with the fill-in requirements of the format to report on their initiatives and efforts based on the said principles.	
<b>Date of Release:</b>	10 November 2021
<b>Implementation on:</b>	10 November 2021
<b>Applicable to:</b>	Financial Institutions

- [Completion of the "Enterprise System and Frontrunner Support-Hub" project](#)

The FSA announced the completion of the support for the first project of the "Enterprise System and Frontrunner Support-Hub" established in March 2020, thereby publishing the overall summary report of the first project, including the underlying key issues related to IT governance and risk management in supervision that have been resolved through the support of the Support-Hub. The Support-Hub has been assisting financial institutions with their innovative approaches/initiatives to enterprise systems, specifically system monitoring, IT governance and IT-related risk management, in addition to functions such as legal interpretation (applicability of regulations).	
<b>Date of Release:</b>	10 November 2021
<b>Implementation on:</b>	10 November 2021
<b>Applicable to:</b>	Financial Institutions

- [Amendments to Act on Damage Recovery Benefit Distributed from Funds in Bank Accounts Used for Crimes](#)

The FSA finalised the amendments to the "Order to Specify the Form of Identification Card Required to be Carried by the FSA's Officials in Conducting On-Site Monitoring as Prescribed in Article 36, Paragraph (1) of the Act on Damage Recovery Benefit Distributed from Funds in Bank Accounts Used for Crimes" and the "Order to Specify the Form of Identification Card to be Carried by the FSA's Officials in Conducting On-Site Monitoring as Prescribed in Article 44, Paragraph (1) of the Act on Utilisation of Funds Related to Dormant Deposits to Promote Public Interest Activities by the Private Sector." The amendments mainly update the form of identification cards required to be carried by the FSA's Officials in conducting on-site monitoring at financial institutions, by abolishing official seals thereto.	
<b>Date of Release:</b>	17 November 2021
<b>Implementation on:</b>	17 November 2021
<b>Applicable to:</b>	Financial Institutions

- [Amendments to the Cabinet Office Order on Financial Instruments Business, etc. and the Cabinet Office Order on Transactions](#)

The FSA finalised the "Cabinet Office Order to Amend the Cabinet Office Order on Financial Instruments Business, etc. and the Cabinet Office Order on Transactions under Article 161-2 of the Financial Instruments and Exchange Act and Deposits Related Thereto." The Orders mainly enhanced the accountability of financial services providers to publicise and explain to financial services users the risks pertaining to leveraged ETFs and others, such as a possible large discrepancy between the volatility of the underlying (base) index and the leveraged index over the medium to long term. The Orders also increased guarantee rates on margin deposits.

<b>Date of Release:</b>	19 November 2021
<b>Implementation on:</b>	24 January 2022
<b>Applicable to:</b>	Financial Institutions

- [Amendments to the Audit Quality Control Review Standards](#)

The FSA announced that the Audit Committee of the Business Accounting Council ("BAC") finalised the amendments to the "Audit Quality Control Review Standards" compiled by the BAC plenary held on November 16, 2021. The amendments mainly updated the conventional audit quality control system in which predefined audit quality control policies and procedures are formulated and managed, to a new audit quality control system in which audit quality control risks are more proactively identified and addressed, whereby the cycle to improve the audit quality control system is effectively deployed within an audit firm.

<b>Date of Release:</b>	19 November 2021
<b>Implementation on:</b>	19 November 2021
<b>Applicable to:</b>	Auditing

- [Amendment to the Account Management Institutions Order](#)

The FSA finalised the "Amendment to the Account Management Institutions Order". The said Order develops/updates the provisions for online procedures regarding application for designation, notification of change of trade name, etc., and application for rescission of designation of foreign account management institutions.

<b>Date of Release:</b>	13 December 2021
<b>Implementation on:</b>	13 December 2021
<b>Applicable to:</b>	Account Management Institutions



## KOREA

### Regulatory Updates

#### Financial Services Commission (FSC)

- [Revised rules on PEFs and Improvements to Investors Protection](#)

The revision bill on the Enforcement Decree of the Financial Investment Services and Capital Markets Act and its subordinate rules is approved. The revised rules prohibit PEFs from issuing personal loans to private lenders, P2P lending firms, etc. Only PEFs with institutional investors that have risk management capabilities can offer loans, with fund management firms required to have internal control measures. Fund sellers are required to monitor whether the PEF they sold to qualified retail investors are being managed by fund management firms according to their prospectus requirements. Fund trust agencies are required to monitor the consistency of the funds' asset statements with those of management firms.

<b>Date of Release:</b>	19 October 2021
<b>Implementation on:</b>	21 October 2021
<b>Applicable to:</b>	Investors

- [MoU signed with UAW to strengthen cooperation on AML/CTF](#)

The Korea Financial Intelligence Unit signed a memorandum of understanding with the Financial Intelligence Unit of the United Arab Emirates to strengthen bilateral cooperation on exchange of information regarding two countries' anti-money laundering and counter-terrorism financing efforts. With the signing of an MoU, it is expected that bilateral cooperation on AML and exchange of information on suspicious transaction activities will be boosted between Korea and the UAE.

<b>Date of Release:</b>	27 October 2021
<b>Implementation on:</b>	27 October 2021
<b>Applicable to:</b>	Financial Institutions

- [Revised Enforcement Decree of FSCMA and Subordinate Rules](#)

The revisions to the Enforcement Decree of the Financial Investment Services and Capital Markets Act and its subordinate rules are approved. Among others, separate keeping of investor deposits in foreign currencies will be expanded gradually with at least 70 percent of deposits in USD required to be kept in a deposit holding institution and securities firms will be permitted for venture lending to facilitate their function of supplying venture capital to companies and the authorities will work to increase the number of securities firms specialising in SME investment.

<b>Date of Release:</b>	07 December 2021
<b>Implementation on:</b>	09 December 2021
<b>Applicable to:</b>	Financial Institutions

- [Climate risks management guidelines are introduced](#)

The FSC discussed the current ESG disclosure and assessment system and ways to pursue ESG management with relevant ministries and financial institutions. The FSC introduced a guideline on the management of climate risks in the financial sector, such as business environment and strategy, governance structure, risk management and disclosure. The green finance handbook provides the financial industry with practice cases and reference information on green finance strategies, to be annually revised and updated. The Korea Exchange (“KRX”) planned to work on an updated version of its ESG disclosure guidance in the second half of 2022.

<b>Date of Release:</b>	08 December 2021
<b>Implementation on:</b>	09 December 2021
<b>Applicable to:</b>	Financial Institutions

- [Postponement of Consolidated Internal Accounting Control System](#)

The revision to the Enforcement Decree of the Act on External Audit of Stock Companies was approved, postponing the requirement of consolidated internal accounting control system for one year until 2023. The establishment, operation, and external audit of consolidated internal accounting management system for listed companies that have KRW2 trillion or more in assets originally set to take effect from 2022 is now postponed one year until 2023 through a revision to the Enforcement Decree of the Act on External Audit of Stock Companies and the government decided to approve the changed implementation schedule.

<b>Date of Release:</b>	14 December 2021
<b>Implementation on:</b>	14 December 2021
<b>Applicable to:</b>	Listed Companies

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# MALAYSIA

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## Consultations

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### Securities Commission Malaysia (SC)

- [SC invites public feedback on sustainable and responsible investment taxonomy](#)

The Securities Commission Malaysia (SC) released a consultation paper seeking public feedback on a principles-based Sustainable and Responsible Investment (SRI) Taxonomy for the Malaysian capital market (SRI Taxonomy). The SRI Taxonomy was developed to enable capital market participants to identify economic activities that are aligned with environment, social and sustainability objectives to facilitate a more informed and efficient decision-making for fundraising and investment and provide guiding principles in financing a credible transition to enable more companies to leverage market-based instruments in meeting their transition finance needs.

<b>Consultation period:</b>	17 December 2021 – 31 March 2022
<b>Implementation:</b>	Insurance Group Companies

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## PHILIPPINES

### Regulatory Updates

#### Bangko Sentral ng Pilipinas (BSP)

- [BSP Reinforces Commitment to Sustainability Agenda](#)

The BSP issued the Environmental and Social Risk Management (ESRM) Framework which provides specific expectations on the management of environmental and social (E&S) risks in relation to credit and operational risks, taking into account the size, risk profile and complexity of operations of banks. Banks are expected to embed E&S risks into their credit risk strategies and in all phases of the credit risk management system.

<b>Date of Release:</b>	14 September 2021
<b>Implementation on:</b>	14 September 2021
<b>Applicable to:</b>	Banks





## Regulatory Updates

### Monetary Authority Singapore (MAS)

- [MAS issues guidelines on corporate governance](#)

The MAS issued guidelines on corporate governance for financial institutions incorporated in Singapore including financial holding companies, banks, direct insurers, reinsurers and captive insurers, on good governance practices that financial institutions should observe in relation to Board matters, remuneration matters, accountability and audit, shareholder rights and engagement, managing stakeholder relationships, and oversight of related party transactions.

Date of Release:	09 November 2021
Implementation on:	09 November 2021
Applicable to:	Financial Institutions

## Consultations

### Monetary Authority Singapore (MAS)

- [MAS proposes to launch an information sharing platform](#)

The MAS sought comments from the industry on the proposed regulatory framework for the system titled 'Collaborative Sharing of ML/TF Information & Cases' ("COSMIC") and information sharing platform for financial institutions to share risk information related to customers transactions to prevent money laundering, terrorism financing and proliferation financing.

Consultation Period:	01 October 2021 – 01 November 2021
Applicable to:	Financial Institutions

- [MAS proposes to amend the Appeals Regulations](#)

The MAS released a consultation on proposed amendments to the 5 Appeals Regulations, with the aim of making the process more efficient, fair, and practical to foster a sound and reputable financial centre. Changes involve adjustments to the process for submission of cases of appeal and timeline. As the proposed amendments are extensive and require a reorganisation of the current Appeals Regulations, MAS will revoke the current Appeal Regulations and issue new appeals regulations.

Consultation Period:	13 October 2021 – 15 December 2021
Applicable to:	Financial Institutions

- [\*\*MAS proposes revisions to Guidelines on Business Continuity Management\*\*](#)

The MAS released a second consultation on proposed revisions to guidelines on business continuity management including, among other things, identification and prioritisation of critical business services in addition to critical business functions and establishment of Service Recovery Time Objectives (SRTO) for each critical business service, and the implementation of recovery strategies to meet the SRTOs, built on feedback received from the first consultation. Financial institutions are expected to adopt the Guidelines within a year following the publication of the revised Guidelines.	
Consultation Period:	15 October 2021 – 15 November 2021
Applicable to:	Financial Institutions

- [\*\*MAS proposes changes to complex products regime\*\*](#)

The MAS issued a consultation paper proposing to enhance and update the complex products regime, seeking views on proposals to enhance and update the complex products regime, such as the classifying all authorized and recognized CIS as EIPs or SIPs and the distribution safeguards that apply to the sale of SIPs. It is to maintain the balance between providing retail investors with access to a wide range of investment products and having in place sufficient safeguards to aid investors in making informed investment decisions.	
Consultation Period:	02 November 2021 – 15 December 2021
Applicable to:	Financial Institutions

- [\*\*MAS proposes changes to Notice 122 on Assets and Liabilities Exposures for Insurers and its implementation\*\*](#)

The MAS issued a consultation paper proposing changes to the Notice 122 data collection and the implementation timelines/plans including, among other things, to remove the reporting requirements of Table 4b, to collect then breakdown of ILP sub-funds and all currency exposures by the detailed fund types, to perform in-depth analysis such as the identification and monitoring of emerging risks and vulnerabilities, the analysis of underlying trends and potential risks, as well as the assessment of the systemic impact of the insurance sector.	
Consultation Period:	05 November 2021 – 06 December 2021
Applicable to:	Insurance Companies

- [\*\*MAS proposes to introduce due diligence requirements for corporate finance advisers\*\*](#)

The MAS issued a consultation paper proposing to introduce due diligence requirements on issuers for corporate finance adviser when advising on corporate finance transaction and other additional requirements when advising on initial public offerings as investors rely on these disclosures as a key source of information to make investment decisions in a disclosure-based regime.	
Consultation Period:	15 December 2021 – 15 February 2022
Applicable to:	Financial Institutions



## Regulatory Updates

### Financial Supervisory Commission (FSC)

- [Notice on Draft Amendment to Some of the Articles of “Regulations Governing Information to be Published in Annual Reports of Public Companies”](#)

The FSC issued a draft amendment on “Regulations Governing Information to be Published in Annual Reports of Public Companies” to promote the “Corporate Governance 3.0 – Sustainable Development Roadmap” and the ESG disclosure requirements. Key amendments announced, among others, the improvement of disclosures in relation to sustainable development; increased disclosures in relation to corporate governance; adjustment to accounting disclosure rules; and increased disclosures in relation to cyber security.

<b>Date of Release:</b>	05 October 2021
<b>Implementation on:</b>	05 October 2021
<b>Applicable to:</b>	Listed Companies

- [Notice on Draft Amendment to the Articles of the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies”](#)

The FSC issued a Draft Amendment to the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” to comply with practical operations and strengthen the management of related-party transactions. Key changes announced include strengthening the management of related-party transactions, improving the quality of opinions issued by external experts and loosening information disclosure requirements.

<b>Date of Release:</b>	02 November 2021
<b>Implementation on:</b>	02 November 2021
<b>Applicable to:</b>	Financial Institutions

- [Enhanced Measures for the Management of Real Estate Credit Extension Business of Banks](#)

The FSC stated that banks must abide by related conditions, credit limits, and other management measures in the “Regulations Governing the Extension of Mortgage Loans by Financial Institutions” of the Central Bank when processing the guarantees of commercial papers or corporate bonds if the issuers use the proceeds to purchase or construct real estate, which is used as collateral, to stabilize the credit structure of banks and strengthen the risk management of real estate loans of banks. These requirements shall be incorporated into banks’ internal control and audit systems and included as critical internal audit items.

<b>Date of Release:</b>	01 December 2021
<b>Implementation on:</b>	01 December 2021
<b>Applicable to:</b>	Banks



## Regulatory Updates

### The Securities and Exchange Commission (SEC)

- [Fee exemption related to REIT buy-back unit offering](#)

The SEC exempted fees related to submitting application and filing for unit offering of real estate investment trusts with the buy-back condition (REIT buy-back) to support liquidity of businesses affected by the COVID-19 pandemic who wish to raise fund using REIT buy-back. To be eligible for the exemption, the application needed to be filed with the SEC Office by 31 December 2023.

Date of Release:	18 November 2021
Implementation on:	18 November 2021
Applicable to:	Investors

## Consultations

### The Securities and Exchange Commission (SEC)

- [SEC public hearing on proposed regulations to the IT security standard rules](#)

The SEC sought public comments on proposed revisions to the Rules on Establishment of Information Technology System (IT Security Standard Rules) to ensure that capital market participants can manage IT security risk and be prepared for ever-increasing cybersecurity risk as well as to enhance investor confidence in products and services in the capital market. Proposal including, among other things, establish multiple levels of expected security controls and oversight techniques, define clear roles, responsibilities, and involvement of the board of directors and enhance cybersecurity control measures.

Consultation Period:	25 November 2021 – 25 December 2021
Applicable to:	Financial Institutions

- [SEC released consultation paper on amendment to Provident Fund Act](#)

The SEC released a consultation paper on a proposed amendment to the Provident Fund Act to review the effectiveness of the current provident fund scheme and to ensure a smooth transition in accordance with the draft National Pension Fund Act. This will allow the provident fund to be a part of the National Pension Fund scheme as well as enabling effective portability between both schemes.

Consultation Period:	26 November 2021 - 25 January 2022
Applicable to:	Provident Fund

- [SEC public hearing on drafted regulations for the supervision of digital asset business](#)

The SEC sought public comments on the drafted regulations for the supervision of digital asset custodial wallet providers and the provision of services to customers' wallets as well as the drafted amendment to the regulations for custody of customers' assets, to ensure proper, standardised, and effective supervision of digital asset businesses, and to prevent misuse of digital assets as a tool for committing a crime.

Consultation Period:	2 December 2021 - 31 December 2021
Applicable to:	Digital Asset Custodial Wallet Providers



VIETNAM

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## Regulatory Updates

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### The State Bank of Vietnam (SBV)

- [MoU signed with the Central Bank of the Russian Federation on cyber attacks](#)

The SBV issued the implementation plan for the scheme on Cashless Payment Promotion in Vietnam for the period of 2021-2025. The plan aims to set out the relevant solutions, tasks, timelines, and responsibilities of SBV entities and the banking industry; to improve the regulatory and legal mechanisms and policies; to develop the payment infrastructure; to conduct research on advanced technologies on cashless payment systems; and to promote electronic payments methods.

<b>Date of Release:</b>	22 December 2021
<b>Implementation on:</b>	22 December 2021
<b>Applicable to:</b>	Regulated Institutions

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## ABOUT COMPLIANCEASIA

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