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Welcome to our Regulatory Newsletter for September 2021

Executive Summary

In September, the Bond Connect Scheme between Mainland China and Hong Kong was officially launched, providing a convenient channel for Mainland Chinese institutional investors to allocate to offshore bond assets through Hong Kong. The first trading day was a success, with more than 150 transactions taking place, amounting to a total of around RMB4 billion.

In Hong Kong, the Securities and Futures Commission released its consultation conclusions on proposed amendments to its anti-money laundering and counter-financing of terrorism. The amendments aim to align the guidelines with the Financial Action Task Force's ("FATF") AML/CFT standards.

In Korea, the FSC introduced a rule aimed at reducing conflicts of interest within Virtual Asset Service Providers by preventing VASPs, their operators and their staff from trading cryptocurrencies issued on their own platform or platforms of related platforms.

Finally, in India, SEBI released a Risk Management Framework for Mutual Funds requiring ongoing self-assessment of risk exposure.

Australia



On 7 September 2021, the Australian Securities & Investments Commission (“ASIC”) released regulatory guidance to help Credit and Australian Financial Services (“AFC”) licensees to meet the new breach reporting regulations. The new regulations are set to commence on 1 October 2021 and aim to make breach reporting consistent, clearer and timely across the industry. For more information, please click [here](#).

On 8 September 2021, ASIC extended the time public companies have to hold their annual general meetings. Public companies with balance dates between 21 February and 7 July 2021 have an additional 2 months, while public companies limited by guarantee with balance dates between 24 January and 7 April 2021 have an additional 4 months. For more information, please click [here](#).

On 23 September 2021, ASIC published updated regulatory guidance on the prohibition of hawking financial products. The regulatory guide reflects the reforms to the anti-hawking regime under the Financial Sector Reform (Hayne Royal Response) Act 2021, which commences on 5 October 2021. The guidance provides further clarity to the industry on how they can comply with the regime and how the reforms effect commercial practices. For more information, please click [here](#).

Enforcement

On 3 September 2021, ASIC disqualified Mr. Anthony Ronald Lawless from managing corporations for eighteen months due to his involvement in three failed companies. Previously, Mr. Lawless was a director of three companies that went into liquidation. For more information, please click [here](#).

On 7 September 2021, the Federal Court ordered Allianz Australia Insurance Ltd (“Allianz”) and AWP Australia Pty Ltd (“AWP”) to pay a total of AUD1.5 million. Allianz and AWP were found to be engaged in misleading and deceptive conduct whilst selling travel insurance policies through Expedia websites. For more information, please click [here](#).

On 8 September 2021, ASIC disqualified Mr. Robert Francis Brady from managing corporations for four years due to his involvement in three failed companies. Mr. Brady was also found to have failed to exercise his duties as a director, take reasonable steps to secure compliance with obligations to keep written financial records and prevent two of the three companies from incurring debts when it was trading whilst insolvent. For more information, please click [here](#).

On 9 September 2021, the Downing Centre Local Court has convicted Mr. David Ross and Mr. Wade Steel of breaching their directors’ duties. Mr. Ross and Mr. Steel, who are the former director and general manager of Image-Ination respectively, pleaded guilty after they used their respective positions to recklessly gain an advantage for themselves or cause detriment to the company. For more information, please click [here](#).

On 10 September 2021, Mr. Richard Marlborough, Mr. Colin MacVicar, Mr. David Domingo, Mr. Liam Young and Mr. John Ramsden were charged with criminal offences relating to the collapse of the Members Alliance and Benchmark group. In July 2016, eighteen group companies were placed into liquidation with AUD26 million debt owed to the Australian Taxation Office. The 5 men face 72 criminal charges between them. For more information, please click [here](#).

On 14 September 2021, Mr. Vaughan Garfield Bowen appeared in court after being charged with two counts of insider trading. Mr. Bowen was in possession of information, relating to shares in Vocus Group Limited, prior to it being announced to the market and used it for his benefit. For more information, please click [here](#).

On 15 September 2021, Mr. Eric-John Larry Pryor was sentenced to 22 months in prison after pleading guilty to two charges of fraud and one charge of giving false information. Mr. Pryor, as an employee of Get Approved Finance, provided the lender with false information. Mr. Pryor also obtained a financial advantage by fraudulently brokering two loans for an amount above the purchase price. For more information, please click [here](#).

On 16 September 2021, a former Halifax Investment Services Pty Ltd auditor, Mr. Robert James Evett, had his registration cancelled by the Companies Auditors Disciplinary Board (“CADB”). Mr. Evett was found to not be a fit and proper person to remain registered as an auditor. For more information, please click [here](#).

On 16 September 2021, criminal charges were filed against the Commonwealth Bank of Australia (“CBA”) in the Federal Court including 30 criminal charges relating to CBA’s CreditCard Plus and Loan Protection policy promotions during 2011 to 2015. CBA is alleged to have made false or misleading representations to customers. For more information, please click [here](#).

On 17 September 2021, Mr. Ross Andrew Hopkins, a former financial adviser, was permanently banned from providing financial services. In May 2021, Mr. Hopkins was convicted of 15 dishonest offences and was sentenced to six years in prison. ASIC found that Mr. Hopkins took advantage of the trust placed in him by his clients. For more information, please click [here](#).

On 22 September 2021, ASIC banned Mr. Dylan Christopher Rands from providing financial services for five years after finding that he had participated in market manipulation. Mr. Rands engaged in manipulative trading relating to Clearview Wealth Limited shares, which were held in several funds that Mr. Rands was portfolio manager of. For more information, please click [here](#).

On 24 September 2021, Mr. Justin Benjamin James Brinkies was disqualified from managing corporations for two years, due to his involvement in seven failed companies between 2010 and 2019. Most of the seven companies were part of the Trojan group, which owed unsecured creditors AUD6,978,545. For more information, please click [here](#).

On 27 September 2021, ASIC banned Mr. Frederick Steven Ackerman, a financial advisor, from providing financial services and performing any function involved in the carrying on of a financial services business for four years. Mr. Ackerman failed to act in the best interests of his clients or provide them appropriate advice. Mr. Ackerman was also found to be neither competent nor a fit and proper person to provide any financial services. For more information, please click [here](#).

On 27 September 2021, ASIC cancelled the licence of Pure Strategy Pty Ltd ("Pure Strategy"), effective 16 September 2021. This was due to Pure Strategy's failure to comply with its general obligations. Pure Strategy's license will remain in effect for 12 months for the purposes of maintaining its membership of the Australian Financial Complaints Authority. For more information, please click [here](#).

Cambodia



A media search did not find any relevant articles for Cambodia during September.

Enforcement

A media search did not find any enforcements for Cambodia during September.

Mainland China



On 3 September 2021, the China Banking and Insurance Regulatory Commission ("CBIRC") issued a consultation paper titled 'Measures on the Supervision and Administration of Insurance Group Companies', aiming to tighten the supervision over insurance group companies and prevent the operational risks among the insurance groups. According to the draft measures, insurance group companies will be required to build a concise, clear and transparent shareholding structure. Insurance group companies should also consolidate their resources on risk management to alert them of potential risks and enhance oversight on their non-insurance subsidiaries. For more information, please click [here](#) (Chinese only).

On 7 September 2021, the spokesperson of CBIRC answered questions regarding online platforms offering financial business and the transition period of the New Asset Management Rules first issued in 2018. According to the spokesperson, online platforms offering financial business are running thorough self-checks and formulating rectification plans to further comply with the various laws and regulations. As for the transition of the New Asset Management Rules, nearly 70% of the outstanding wealth management business have complied with the various requirements by the end of July 2021 and most of the remaining stock of banking institutions are expected to fulfil the process by the end of this year. For more information, please click [here](#) (Chinese only).

On 15 September 2021, the People's Bank of China ("PBOC") issued a 'Notice on Launching Southbound Trading under the Mutual Bond Connect' between the Mainland and Hong Kong which took effect on 24 September 2021. According to the Notice, Southbound trading under Bond Connect will have an initial daily quota of RMB20 billion and an annual quota of RMB500 billion. Mainland investors that meet the requirements stipulated by the PBOC may invest through Southbound Bond Connect in all bonds issued overseas and traded in the Hong Kong bond market. Counterparties are tentatively limited to market makers designated by the HKMA. For more information, please click [here](#) (Chinese only).

On 18 September 2021, Beijing Stock Exchange (“BSE”) issued the “Measures for Investor Suitability Management” (for Trial Implementation). Under the Measures, an eligible individual investor is required to have an average daily securities asset of no less than RMB500,000 in the 20 trading days before having the authority to trade on the bourse and shall have at least two years of experience in securities investment. There is no capital access threshold for institutional investors stipulated in these Measures. For more information, please click [here](#) (Chinese only).

On 24 September 2021, the Southbound Trading under Bond Connect Scheme between the Mainland and Hong Kong was officially launched. The Southbound Bond Connect Scheme provides a convenient channel for Mainland institutional investors to allocate to offshore bond assets through Hong Kong. On the first trading day, there were more than 150 transactions amounting to a total of around RMB4 billion. For more information, please click [here](#) (Chinese only).

On 24 September 2021, the PBOC issued a ‘Notice on Further Preventing and Crackdown on Virtual Money Trading and Speculation’ and announced that all virtual currency-related activities are deemed illegal financial activities. According to the Notice, overseas crypto exchanges that provide services for Chinese residents via the internet will also be considered as illegal financial activities. It further stipulated that financial institutions and non-bank payment institutions are also banned from offering services for virtual currency-related business activities. For more information, please click [here](#) (Chinese only).

Enforcement

A media search did not find any enforcements for Mainland China during September.

Hong Kong



On 2 September 2021, Hong Kong Exchanges and Clearing Limited (“HKEX”) announced that it has signed a Memorandum of Understanding (“MoU”) with Hong Kong Science and Technology Parks Corporation (“HKSTP”) to explore new biotech and fintech initiatives. HKSTP will share its knowledge and expertise with HKEX by providing advice on an “as needed” basis helping HKEX’s maintain a robust standards of investor protection and leadership as the world’s second biotech funding hub. For more information, please click [here](#).

On 15 September 2021, the Securities and Futures Commission (“SFC”) released consultation conclusions on proposed amendments to its anti-money laundering and counter-financing of terrorism (“AML/CFT”). The amendments aim to align the guidelines with the Financial Action Task Force’s (“FATF”) AML/CFT standards which include additional guidance to facilitate the implementation of risk-based AML/CFT measures by securities industry participants. The revised guidelines provide greater clarity and additional flexibility in meeting the requirements. For more information, please click [here](#).

Enforcement

On 20 September 2021, four people, including two former senior executives of Convoy Global Holdings Limited (“Convoy Global”), were convicted at the District Court of conspiracy to defraud the company and its board of directors and shareholders as well as The Stock Exchange of Hong Kong Limited (“SEHK”) over the placement of bonds issued by Convoy Global. The conviction came after a joint operation of SFC and the Independent Commission Against Corruption (“ICAC”) in 2017 after which the four were charged by the ICAC. For more information, please click [here](#).

India



On 1 September 2021, the Securities and Exchange Board of India (“SEBI”) released revised guidelines to recognised stock exchanges regarding the modification of clause 3.1 and 4.1 of the circular introducing the liquidity enhancement scheme. The implementation of the scheme will now be monitored by the Governing Board on quarterly basis and now can be introduced to any security with greater flexibility on the continuation or discontinuation of the scheme. For more information, please click [here](#).

On 2 September 2021, SEBI announced that the asset management companies must invest minimum amount as a percentage of AUM in their scheme in accordance with the risk values assigned, which is further explained in the Annexure of the circular. Compliance is to be confirmed by trustees, and non-compliance of the circular is to be reported in the quarterly CTR and half-yearly Trustee Report. The effective date would be 270 days from 5 August 2021, which is the date of notification for the Securities and Exchange Board of India (Mutual Funds) (Second Amendment) Regulations, 2021 ("MF Amendment Regulations"). For more information, please click [here](#).

On 2 September 2021, SEBI issued a circular to inform depositories or recognised stock exchanges (excluding Commodity Derivatives Exchanges) of the changes to the Investor Grievance Redressal Mechanism regarding place of arbitration. The changes include expedition of grievance redressal mechanism allowing for determination of legitimate claims from IPF for clients of defaulter member; and threshold limit for interim relief paid out of IPF in stock exchanges. The changes were effective immediately upon the release of circular. For more information, please click [here](#).

On 3 September 2021, SEBI announced that the Permanent Account Number ("PAN") of a person allotted as on 1 July 2017 will become inoperative if it is not linked with Aadhaar by 30 September 2021 or any other date specified by Central Board of Direct Taxes. SEBI stated that registered entities should only accept operative PAN by clients. For more information, please click [here](#).

On 7 September 2021, SEBI announced the revision on client level position limits with immediate effect, applicable to Non-Resident Indians and Category II Foreign Portfolio Investors ("FPI") that are individuals, family offices and corporates. The position limits for Category I FPIs and Category II FPIs outside the aforementioned remain the same. For more information, please click [here](#).

On 7 September 2021, SEBI informed the recognised clearing corporations, stock exchanges and depositories that they can choose between T+1 or T+2 settlement cycle after publishing at least one-month prior notice to all stakeholders, and such choice should be maintained for at least 6 months. The choice for settlement cycle is applicable for all types of transactions on the relevant stock exchange. The circular will be effective from 1 January 2022. For more information, please click [here](#).

On 7 September 2021, the Reserve Bank of India ("RBI") issued notifications to inform the payment system providers and participants that the card tokenization services initially limited to mobile phones and tablets was extended to other devices. For more information, please click [here](#).

On 8 September 2021, RBI issued notifications for the amendments into the Foreign Exchange Management (Export of Goods and Services) Regulations, 2015. The rate of interests payable on the advance payment was added flexibility to include applicable benchmark as directed by the Reserve Bank. For more information, please click [here](#).

On 9 September 2021, RBI issued notifications to inform the scheduled commercial banks, excluding regional rural banks, that for the purpose of calculating the Large Exposures Framework, the Indian branches of foreign banks are permitted to reckon cash or unencumbered approved securities as credit risk mitigation to offset their gross exposure to the head office. For more information, please click [here](#).

On 13 September 2021, RBI issued notifications forwarding the press release issued by the United Nations Security Council for the list of individuals and entities linked to ISIL (Da'esh), Al-Qaida and Taliban, and reminding the regulated entities that they should ensure that they should not have any account in the name of the listed individuals and entities. For more information, please click [here](#).

On 14 September 2021, SEBI issued a consultation paper to update the settlement mechanism introduced back in 2007 to be in line with the current Indian securities market. The update concerns the settlement terms, the principles and factors when determining indicative amount for settlement, timeframe within different steps of the proceedings, remittance of settlement amount, etc. The consultation paper is open for public feedback and comments by 14 October 2021. For more information, please click [here](#).

On 16 September 2021, RBI issued notifications attaching the finalised Master Direction – Reserve Bank of India (Market-makers in OTC Derivatives) Directions, 2021 after public consultation last year for the compliance of eligible market participants. For more information, please click [here](#).

On 20 September 2021, SEBI provided some clarification on the alignment of interest of key employees of asset management companies with the unitholders of the mutual fund schemes via annexure to this circular, which covers applicability of the circular, timeline, details into the redemption of units, etc. For more information, please click [here](#).

On 24 September 2021, RBI issued notifications attaching the finalised Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 with immediate effect. For more information, please click [here](#).

On 24 September 2021, RBI issued notifications attaching the finalised Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 which comes into immediate effect. For more information, please click [here](#).

On 27 September 2021, SEBI issued a consultation paper to review the net worth criteria of Trading Member (TM) / Clearing Member (CM) / Professional Clearing Member (PCM) / Depository Participant (DP) adopting risk-based capital adequacy norms to take into account the quantum of exposures and level of business activity for these intermediaries. The consultation paper is open for public feedback and comments until 18 October 2021. For more information, please click [here](#).

On 27 September 2021, SEBI issued a circular to add to the Risk Management Framework for Mutual Funds. Applicable elements of the Risk Management Framework are segregated into mandatory and recommendatory elements. Asset management companies must perform a self-assessment of their Risk Management Framework and submit a report to their Board of directors regarding a roadmap for framework implementation by 1 January 2022. For more information, please click [here](#).

On 27 September 2021, SEBI introduced swing pricing framework for open ended debt mutual fund schemes. The Association of Mutual Funds in India will prescribe broad parameters for determining thresholds for triggering swing pricing by 27 December 2021. Asset management companies may also be permitted to have other parameters with regards to their unique nature and characteristics of the applicable mutual fund schemes. For more information, please click [here](#).

On 28 September 2021, SEBI issued minutes of the SEBI Board Meeting held on the same day, including decisions on (1) proposed framework for Gold Exchange and SEBI (Vault Managers) Regulations, 2021; (2) framework for Social Stock Exchange; (3) review of delisting framework pursuant to open offer; (4) review of certain provisions related to Superior Voting Rights Shares Framework; (5) review of regulatory provisions on Related Party Transactions; (6) Investor Charter for Securities Market; (7) amendment to SEBI (Alternative Investment Funds) Regulations, 2012; (8) introduction of Silver Exchange Traded Funds in India; (9) amendments to SEBI (Portfolio Managers) Regulations, 2020 and SEBI (Alternative Investment Funds) Regulations, 2012; (10) permitting Resident Indians (other than Individuals) to become constituents of FPIs that are registered as AIFs in IFSCs; (11) amendment to Schedule II of Securities and Exchange Board of India (Intermediaries) Regulations, 2008 -Criteria for determining 'Fit and Proper Person'; and (12) inclusion of Cost Accountants for share reconciliation audit under SEBI (D&P) Regulations, 2018. For more information, please click [here](#).

On 28 September 2021, RBI issued notifications to Category I authorised dealer banks that they are permitted to use any other widely accepted or alternative reference rate in the currency concerned for the export or impact transactions. For more information, please click [here](#).

On 30 September 2021, SEBI announced its decision to extend the timeline for Investment Advisers to conduct annual audit and obtain a certificate from the auditor by 31 December 2021 for those having financial year end on 31 March 2021 and submit any adverse findings within 1 month. For more information, please click [here](#).

Enforcement

A media search did not find any enforcements for India during September.

Indonesia



On 6 September 2021, Bank Indonesia (“BI”) and the People's Bank of China (“PBOC”) officially started the implementation of cooperation in the settlement of bilateral transactions with local currencies (Local Currency Settlement/LCS) between Indonesia and China. For more information, please click [here](#).

Enforcement

A media search did not find any enforcements for Indonesia during September.

Japan



On 1 September 2021, the Financial Service Agency ("FSA") published the agenda and handouts of the first meeting of the "Working Group on Corporate Disclosure" (FY 2021) of the Financial System Council, which was held on 2 September 2021. They discussed corporate information disclosure that contributes to investor investment decisions and constructive dialogue, including changes in economic and social conditions. For more information, please click [here \(Japanese only\)](#).

On 3 September 2021, the FSA updated the list of issuers who are repaying, have completed repaying or have announced the termination of use of prepaid payment instruments, as defined in the "Payment Services Act" (e.g. gift vouchers, gift certificates, and prepaid cards). For more information, please click [here](#).

On 8 September 2021, the FSA proposed the draft regulatory notice designating 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 cessation of London Interbank Offered Rate ("LIBOR"). The proposal mainly intends to develop rules in the relevant and applicable regulatory notice in response to the cessation of LIBOR, particularly in regards to OTC transactions and others conducted by financial instruments business operators and others. The proposal also intends to develop rules for the obligation of centralisation of clearing as well as rules for transactions subject to electronic trading platform regulations. For more information, please click [here \(Japanese only\)](#).

On 15 September 2021, the FSA announced that 316 institutional investors have signed up to the Principles for Responsible Institutional Investors as of 31 August 2021. The FSA publishes the list of institutional investors who have notified the FSA of their intention to accept the Code. The FSA will update the list any time when it receives the notification of acceptance of the Code from institutional investors. For more information, please click [here](#).

On 17 September 2021, the FSA proposed the draft amendments to the "Comprehensive Guidelines for Supervision of Financial Instruments Business Operators" and the "Comprehensive Guidelines for Supervision of Financial Services Intermediaries." In regard to matters to be taken into account in soliciting investments in investment trusts and in explaining important matters regarding the rollover of investment trusts, the proposal mainly intends to expressly set forth provisions in the Guidelines on a principle basis to ensure that explanations are provided in a manner that truly meets the investment objectives and level of understanding of the respective financial services users. For more information, please click [here \(Japanese only\)](#).

On 17 September 2021, the FSA published English translation of monthly magazine, Access FSA No.216 which was about the Speech by State Minister AKAZAWA Ryosei at the Consultation Meeting Relating to the Multiple Debt Problem and Consumer Finance, Joint Session of the 46th General Meeting of Financial System Council and the 34th Meeting of Sectional Committee on Financial System, Main Points of the Second Report by the Working Group on Capital Market Regulations, Publication of the "Report by the Expert Panel on Sustainable Finance", Publication of the "Research Report Regarding IT Governance of Financial Institutions" and the "Analysis Report on Financial Institutions' IT System Failures", Results of Monitoring Customer-Oriented Business Conduct of Investment Trust Distributors (2020 Program Year), and Request for the Prevention of COVID-19 Infection. For more information, please click [here](#).

On 17 September 2021, the FSA updated the one-stop access pertaining to "Meetups on Tsumitate NISA (Dollar-Cost Averaging NISA)" on the subpages of the "NISA Official Promotion Webpage." The one-stop access mainly provides the background information of the meetups with its key purpose and objectives as well as the schedule information on future meetups (online meetups included). For more information, please click [here \(Japanese only\)](#).

Enforcement

On 10 September 2021, the FSA issued an order to impose an administrative penalty charge against DAICHI COMMODITIES CO., LTD. for making false statements in its securities reports. For more information, please click [here \(Japanese only\)](#).

On 22 September 2021, the FSA took administrative actions against Mizuho Bank, Ltd. and Mizuho Financial Group, Inc., ordering the improvement of the business operations of the entities pursuant to the "Banking Act." For more information, please click [here \(Japanese only\)](#).

Korea



On 3 September 2021, the Financial Services Commission (“FSC”) sought to enhance corporate disclosure and investor protections with a set of changes to the Financial Investment Services and Capital Markets Act. Some of the key revisions include increased sanctions for breaching the “five percent rule” on shareholding reporting, revisions to reporting rules on issuing private convertible bonds, requiring companies seeking to list to disclose quarterly reports prior to their listing among others. For more information, please click [here](#).

On 8 September 2021, the FSC announced that it had selected 20 entities to participate in a digital-data testbed program (“D-testbed”). Running between 27 September 2021 and 10 December 2021, the D-testbed is aimed at giving fintech start-ups access to resources to promote innovation within financial services. For more information, please click [here](#).

On 8 September 2021, the FSC extended the designation of 6 fintech services as ‘Innovative Financial Services’ for a further 2 years. This will allow the selected services to access the resources of the regulatory sandbox for the extended period. For more information, please click [here](#).

On 13 September 2021, the FSC announced that it was planning to improve access to fractional trading in foreign and domestic stocks. Previously, firms looking to provide the service would have to apply for regulatory exemptions however, now that specialised infrastructure has been developed at the Korea Securities Depository, and licensed firms that wish to provide fractional trading will be able to. For more information, please click [here](#).

On 28 September 2021, the FSC introduced a rule on managing conflicts of interest targeted at Virtual Asset Service Providers (“VASPs”) through a revision to the ‘Enforcement Decree of the Act on Reporting and Using Specified Financial Transaction Information’. This new rule will prevent VASPs, their operators and their staff from trading cryptocurrencies issued on their own platform or platforms of related platforms. For more information, please click [here](#).

On 29 September 2021, the FSC announced that it would extend the implementation of some deregulatory measures taken in response to Covid-19 until March 2022. The majority of these measure relate to the liquidity levels applied to various institutions. For more information, please click [here](#).

Enforcement

A media search did not find any enforcements for Korea during September.

Malaysia



On 14 September 2021, Bursa Malaysia Berhad (“Bursa Malaysia” or the “Exchange”), embarked on a Dematerialisation Proof-of-Concept to facilitate the dematerialisation of securities certificates. The project aims to test blockchain-powered technologies’ efficiency and operational feasibility in the issuance of dematerialised securities certificates, with initial emphasis on Structured Warrants. For more information, please click [here](#).

On 14 September 2021, banking institutions from Thailand and Malaysia were invited to indicate their interest to be a Qualified ASEAN Bank (QAB) in Malaysia and Thailand under the ASEAN Banking Integration Framework (ABIF) between Bank Negara Malaysia (“BNM”) and the Bank of Thailand (“BOT”). The bilateral arrangement and its commitments form part of the ASEAN Framework Agreement on Services (AFAS). For more information, please click [here](#).

On 21 September 2021, The Securities Commission Malaysia (“SC”) launched the third Capital Market Masterplan (CMP3), setting out a strategic framework for the growth of Malaysia’s capital market for the next five years. It seeks to leverage on the strengths and potential of the Malaysian capital market to accelerate sustainable and inclusive economic growth. For more information, please click [here](#).

On 22 September 2021, Bursa Malaysia announced its ambition to achieve carbon neutrality by 2022 and to produce net zero emissions by 2050 across its entire operations. For more information, please click [here](#).

Enforcement

On 9 September 2021, Bursa Malaysia Securities Berhad (“Bursa Malaysia Securities”) took enforcement actions against two Dealer’s Representatives (DRs) for breaches of the Rules of Bursa Malaysia Securities and directives in relation to, amongst others, discretionary trading undertaken in a client’s account. For more information, please click [here](#).

Mauritius



On 10 September 2021, the FSC Mauritius released the Financial Services (Crowdfunding) Rules 2021, providing a regulatory framework for crowdfunding, allowing further shaping and improvement of access to finance for investors and business of Mauritius. For more information, please click [here](#). For more information, please click [here](#).

On 17 September 2021, the Bank of Mauritius released updated guidance on LIBOR transition. For more information, please click [here](#).

On 21 September 2021, the FSC Mauritius released a communique announcing it opened a consultation on Guidelines on the issue of Corporate and Green Bonds. Among other things, the consultation intends to consolidate the legal and supervisory framework, provide clarification to issuers of corporate and green bonds with respect to their obligations, and promote the development of the debt market in Mauritius. For more information, please click [here](#).

On 24 September 2021, the FSC Mauritius released a communique announcing amendments to the Insurance Act 2005 in relation to insurance agents. Among other things, the amendments require insurers to ensure its agents are in good standing in terms of fees and reporting obligations. For more information, please click [here](#).

Enforcement

On 21 September 2021, the FSC Mauritius announced that it revoked the Global Business License of JP Markets (Mauritius) Limited due to multiple breaches of the Financial Services Act. For more information, please click [here](#).

On 29 September 2021, the FSC Mauritius announced that it revoked the Category 1 Global Business License of Emerging Markets Investment Fund 1A along with its authorisation to act as a Collective Investment Scheme and Expert Fund due to multiple breaches of the Financial Services Act, Securities Act 2005, and Collective Investment Scheme Regulations. For more information, please click [here](#).

Myanmar



A media search did not find any relevant articles for Myanmar during September.

Enforcement

A media search did not find any enforcements for Myanmar during September.

New Zealand



On 13 September 2021, the Financial Markets Authority (“FMA”) announced the appointment of Samantha Barrass as its new Chief Executive. Ms. Barrass will take up her new role in January 2022. For more information, please click [here](#).

On 15 September 2021, the FMA warned New Zealanders of the three predominant scams that have increased since the start of COVID-19. The scams include social media contact scams, romance-investment hybrid scams and impostor website scams. From January to June 2021, there was a 79% increase in complaints about investment schemes from the year before. For more information, please click [here](#).

On 30 September 2021, the FMA released its AML/CFT Monitoring Insights Report documenting increased enforcement approach to non-compliance with New Zealand's anti-money laundering and countering financing of terrorism (AML/CFT) rules. In the past 3 years the FMA issued three public warnings and 27 private warnings compared to issuing 1 public warning and 17 private warnings between 2016 and 2018. For more information, please click [here](#).

Enforcement

A media search did not find any enforcements for New Zealand during September.

Philippines



On 6 September 2021, Bangko Sentral ng Pilipinas (“BSP”) sought to reemphasise the importance of the proposed Financial Consumer Protection Act (FCPA) and its purpose of protecting financial consumer welfare. For more information, please click [here](#).

On 9 September 2021, BSP addressed rumours that large quantities of counterfeit banknotes were in circulation, advising consumers to closely review the security features on notes. For more information, please click [here](#).

On 14 September 2021, the BSP issued Circular No. 1126 requiring designated payment systems (DPS) to adopt the Principles for Financial Market Infrastructures (PFMI). For more information, please click [here](#).

On 18 September 2021, the BSP issued the governance policy for Operators of Payment System (OPS) as part of the phased-in implementation of Republic Act No. 11127 or the National Payment Systems Act (NPSA). For more information, please click [here](#).

Enforcement

On 3 September 2021, the Securities and Exchange Commission (“SEC”) ordered R.L. Aggregates and Diversified Lending Group, Inc. to stop soliciting investments from the public through a fraudulent scheme that involves the use of falsified registration documents. For more information, please click [here](#).

On 22 September 2021, based on charges filed by the BSP, the Regional Trial Court (“RTC”) in Dumaguete City convicted a former officer of the now closed Rural Bank of Siaton (Negros Oriental), Inc. (RB Siaton) with 44 counts of violating the General Banking Law of 2000 in relation to the New Central Bank Act. For more information, please click [here](#).

On 22 September 2021, the SEC declared the revocation of the Certificate of Authority (CA) of KingABC Lending Corporation in relation to its ability to act as lending company, after it engaged in unfair debt collection practices. For more information, please click [here](#).

Russia



On 30 September 2021, BoR announced that for non-qualified investors trading with a forex dealer, there will be a statutory leverage ratio limit of 1:50 on the forex trade. This limit was developed by the SRO Association of Forex Dealers, approved by the regulator and will be effective from 1 October 2021. For more information, please click [here](#).

Enforcement

On 17 September 2021, BoR revoked the banking licence of Commercial Bank PLATINA LTD for issues related to violations of anti-money laundering and counter-terrorist financing laws and Bank of Russia regulations. The BoR appointed a provisional administration to Commercial Bank PLATINA LTD for the period until the appointment of a receiver or liquidator. For more information, please click [here](#).

On 28 September 2021, BoR reprimanded and fined Alexey N. Permyakov, Alexander A. Smirnov, and Elena Yu. Bayramova for various market misconducts from 2018 to 2021. It was a typical case of the pump and dump strategy, where these individuals artificially inflated the price of an asset by issuing aggressive purchase orders, which was followed by a sale of the asset at that inflated price. For more information, please click [here](#).

Singapore



On 2 September 2021, it was announced that the Bank for International Settlements Innovation Hub, the Reserve Bank of Australia, Bank Negara Malaysia, Monetary Authority of Singapore (“MAS”) and South African Reserve Bank would collaborate to test the use of central bank digital currencies (CBDCs) for international settlements. For more information, please click [here](#).

On 7 September 2021, the MAS announced the formation of a new Sustainability Group and the appointment of Dr Darian McBain as Chief Sustainability Officer, with effect from 1 October 2021. For more information, please click [here](#).

On 14 September 2021, the MAS and the Reserve Bank of India announced plans to link Singapore’s PayNow and India’s Unified Payments Interface (UPI) real-time payment systems by July 2022. The PayNow-UPI linkage will enable users to make instant, low cost fund transfers directly from one bank account to another between Singapore and India. When implemented, fund transfers can be made from India to Singapore using mobile phone numbers, and from Singapore to India using UPI virtual payment addresses (VPA). For more information, please click [here](#).

On 15 September 2021, the MAS and the Securities and Exchange Commission of Thailand (“SEC Thailand”) announced the launch of the Thailand-Singapore Depository Receipts (DR) Linkage by the Singapore Exchange (SGX) and the Stock Exchange of Thailand (SET). Under the DR Linkage, depository receipts representing securities listed on one market will be issued for trading on the other. For more information, please click [here](#).

On 15 September 2021, the Infocomm Media Development Authority (“IMDA”), MAS, and Singapore Police Force (“SPF”) stated that malicious actors overseas had diverted and used SMS one-time passwords (OTPs) to perform fraudulent credit card transactions affecting 75 bank customers in Singapore. These transactions, amounting to approximately S\$500,000 in total, occurred between September and December 2020. Customers had reported that they had not initiated the transactions nor received the SMS OTPs required to perform these transactions. For more information, please click [here](#).

On 17 September 2021, Singapore announced a package of initiatives to support high-growth enterprises to raise capital in Singapore’s public equity market and broaden Singapore’s proposition as a financing hub. For more information, please click [here](#).

On 27 September 2021, the MAS and Bank Negara Malaysia (“BNM”) announced plans to commence a phased linkage of Singapore’s PayNow and Malaysia’s DuitNow real-time payment systems. This will allow customers of participating financial institutions to make real-time fund transfers between Singapore and Malaysia using just a mobile number. Customers will also be able to make retail payments by scanning NETS or DuitNow QR codes displayed at merchants’ storefronts. For more information, please click [here](#).

Enforcement

On 2 September 2021, the MAS issued a four-year prohibition order (PO) against Mr. Lan Kangming and a three-year PO against Mr. Wee Toon Lee, following their convictions in the State Courts for offences involving dishonesty. Under the POs, which took effect from 1 September 2021, the two former representatives of UOB Kay Hian Private Limited (UOBKH) are prohibited from performing any regulated activity and from taking part in the management, acting as a director, or becoming a substantial shareholder of any capital market services firm under the Securities and Futures Act (SFA). For more information, please click [here](#).

Sri Lanka



A media search did not find any relevant articles for Sri Lanka during September.

Enforcement

A media search did not find any relevant enforcements for Sri Lanka during September.

Taiwan



On 2 September 2021, the Financial Supervisory Commission (“FSC”) completed the amendment to the “Regulation Governing Applications of Banks (Including Offshore Banking Units) for Concurrent Operations in Underwriting and Proprietary Trading of Bonds, Beneficiary Securities, Asset-Backed Securities” which were initially promulgated and implemented on 21 July 2021. For more information, please click [here](#).

On 2 September 2021, the FSC proposed to allow domestic companies to adopt shelf registration for common stocks to enhance financial flexibility and efficiency. For more information, please click [here](#).

On 17 September 2021, the FSC released the “Audit Quality Indicators (AQIs) Disclosure Framework”, in order to enhance audit quality and transparency of financial reporting. The AQIs have 13 indicators, which cover five scopes, serving as a useful toolkit to assist companies and audit committees in assessing the quality of audit firms and auditors more effectively. This will also help to bring the audit quality and corporate governance to a new level. For more information, please click [here](#).

Enforcement

On 1 September 2021, a former employee of Schroder Securities Investment Trust Co., Ltd. (“Schroder SITE”), was suspended from 1 October 2021 to 31 December 2021. The individual disclosed to others over telephone the stock investment or shareholdings of the discretionary investment accounts under his management or the securities investment trust funds which he assisted in the management during his registration as an employee of Schroder SITE. For more information, please click [here](#).

On 3 September 2021, a former employee of Enterex International Limited was fined NT480,000, for violating Article 165-1 of the Securities and Exchange Act after Enterex filed for bankruptcy but did not make a public announcement on the matter for several days. For more information, please click [here](#).

On 29 September 2021, a fine was imposed on the responsible person of Entery Industrial Co., Ltd. The company failed to complete the Q4 2013 to Q2 2021 financial statement in accordance with Paragraph 1 & 2 of Article 36 of the Securities and Exchange Act. For more information, please click [here](#).

Thailand



On 3 September 2021, the Securities and Exchange Commission (“SEC”) announced it was seeking public comments on the proposed review and amendments to the debt securities regulations according to the regulatory guillotine scheme to improve regulatory standards and consistency with the changing environment. The proposed amendments aim to maintain necessary regulations and effective enforcement, ensure proper investor protection, and facilitate operations of business sectors. For more information, please click [here](#)

On 4 September 2021, the Securities and Exchange Commission Board (SEC Board) encouraged the Minister of Finance to consider revoking the digital asset exchange license of Huobi (Thailand) Co., Ltd. (Huobi), currently named DSDAQ (Thailand) Co., Ltd.. The SEC Board extended the temporary suspension of digital asset exchange service imposed on Huobi until the license is revoked. In addition, Huobi is required to return all assets to its clients within three months of the SEC Board’s order. For more information, please click [here](#)

On 8 September 2021, the SEC announced it had partnered with the CFA Institute, with support from CFA Society Thailand (CFA Thailand), in organising a webinar on the topic, “Overview on ESG Integration Framework for Investment Analysis” to encourage the application of ESG factors in investment analysis. For more information, please click [here](#)

On 20 September 2021, the SEC advised listed companies that invest or plan to invest in digital assets to exercise care and caution before making investment decisions. The regulator encouraged those that wished to proceed to do so through licensed digital asset business operators to ensure legal protection. For more information, please click [here](#)

On 21 September 2021, the SEC revised the rules on acceptance of trading orders of capital market products whereby employees of securities companies and derivatives intermediaries are allowed to perform such duty from home. This revision aims to reduce burdens and to facilitate business operation. For more information, please click [here](#)

On 28 September 2021, the Bank of Thailand (“BOT”) released a report on the findings from Project Inthanon-LionRock Phase 2 and introduced the scope for Phase 3, known as the mBridge Project. For more information, please click [here](#).

Enforcement

A media search did not find any enforcements for Thailand during September.

Vietnam



A media search did not find any relevant articles for Vietnam during September.

Enforcement

A media search did not find any enforcements for Vietnam during September.

Suggestions

Please send any comments or suggestions or other information you would like included in the next issue to newsletter@complianceasia.com. In addition, if there are others in your organisation who you believe will benefit from this newsletter, please do let us know.

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