

# AMBIF Documentation Recommendation Board (ADRB) First Formal Meeting

Tokyo

21 June 2019

*(Revised on 16 August 2019)*

At: Mori Hamada & Matsumoto, Marunouchi, Tokyo

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# 1. Update on AMBIF Issuances

No.	Issuance Date	Issuer	Sector	Currency and Amount	Tenure	Listing
1	28 Sep 2015	Mizuho Bank, Ltd. (Tokyo HQ)	Financials (Banking)	THB 3 billion	3 years	TSE-TOKYO PRO-BOND Market
2	14 Nov 2018	Hattha Kaksekar Limited.	Financials (Consumer Finance)	KHR 120 billion	3 years	CSX
3	16 Nov 2018 16 Nov 2018	AEON Credit Services (Philippines) Inc.*	Financials (Consumer Finance)	PHP 900 million PHP 100 million	3 years 5 years	PDEX
4	26 Mar 2019	CJ Logistics Asia Pte. Ltd.*	Logistics	SGD 70 million	5 years	SGX

KHR = Cambodian riel, PHP = Philippine peso; THB = Thai baht; SGD = Singapore dollar

\* Guaranteed by the Credit Guarantee and Investment Facility.

Source: Asian Development Bank. <https://asianbondsonline.adb.org/abmf.php>

- Significant fact: the SSF was used as provided for issuances 1, 2, 3 and 4
- Pipeline deals reportedly nearing completion in Philippines, Singapore

# 2. AMBIF Documentation Recommendation Board (ADRB)

- Constituted on 6 November 2013, and on that same day, the first recommendation (before creating the SSF) was made at the 14<sup>th</sup> ABMF Meeting in Jeju
- Conceptualised as a group of market institutions and professionals in the securities industry, lending their expertise towards efforts in building a common approach across regional markets
- Inaugural membership by 15 institutions
- Chaired by Mr. Shuji Yanase, formerly of Nagashima Ohno & Tsunematsu; Representative & Secretary-General has been Prof. Shigehito Inukai
- Revised recommendation (as of December 2013) was published as “Appendix 3: AMBIF Documentation Recommendation Board (ADRB) on AMBIF Disclosure Items on Information Memorandum and Program Information” of the ABMF SF1 Phase 2 Report *Proposal on ASEAN+3 Multi-Currency Bond Issuance Framework (AMBIF)*  
[https://wpqr4.adb.org/LotusQuickr/asean3abmf/Main.nsf/h\\_Toc/1F74F9F936E39E5048257CA9002A5873/?OpenDocument](https://wpqr4.adb.org/LotusQuickr/asean3abmf/Main.nsf/h_Toc/1F74F9F936E39E5048257CA9002A5873/?OpenDocument)
- Major voluntary contributions from MHM and NO&T to compile the initial SSF in 2015 (see ABMF SF1 Phase 3 Report published in August 2015 - Appendix: Single Submission Form (SSF) / FAQs / AMBIF Implementation Guidelines for 6 Participating Markets)  
[https://wpqr4.adb.org/LotusQuickr/asean3abmf/Main.nsf/h\\_Toc/50AEB5C21DB0BA6A48257EA30034B9CA/?OpenDocument](https://wpqr4.adb.org/LotusQuickr/asean3abmf/Main.nsf/h_Toc/50AEB5C21DB0BA6A48257EA30034B9CA/?OpenDocument)

# 2-1. Founding Members of ADRB

[Title and organization, as of November 2013]

- **Chairperson:**

Mr. Shuji Yanase, Lawyer, Nagashima Ohno & Tsunematsu

- **Representative & Secretary-General:**

Prof. Shigehito Inukai, Waseda University

- **Founding Members:**

Mr. Shuji Yanase, Lawyer, Nagashima Ohno & Tsunematsu

Mr. Toru Ishiguro, Lawyer, Mori Hamada & Matsumoto

Mr. Hiro Suzuki, Director, Barclays Tokyo

Prof. Tatsuo Uemura, Waseda University

Prof. Shigehito Inukai, Waseda University, ADB Consultant

Mr. Matthias Schmidt, ADB Consultant

Dr. Hyun Suk, Senior Research Fellow, KCM

- **Office of AMBIF Documentation Board:**

Waseda University, Prof. Inukai's office

# 2-2. Other Members/Observers of ADRB

## Members:

- Nomura (Tokyo)
- Daiwa (Tokyo)
- SMBC NIKKO / SMBC (Tokyo)
- Mitsubishi UFJ Morgan Stanley / BTMU (Tokyo)
- Mizuho / Mizuho Sec (Tokyo)
- Barclays (Tokyo)
- JPMorgan Chase (Hong Kong, Tokyo)
- Citi (Tokyo)
- Deutsche Bank (Singapore)
- CIMB (Kuala Lumpur)

## Observers:

- JSDA (Japan)
- TSE (Japan)
- JASDEC (Japan)
- ThaiBMA (Thailand)
- Deloitte Tohmatsu (Japan)
- ASIFMA (Hong Kong)
- ICMA (International Capital Market Association)

[Correct as of the end of 2013]

ADRB may, from time to time, strive to add AMBIF bond related institutions

## 2-3. Purpose of ADRB

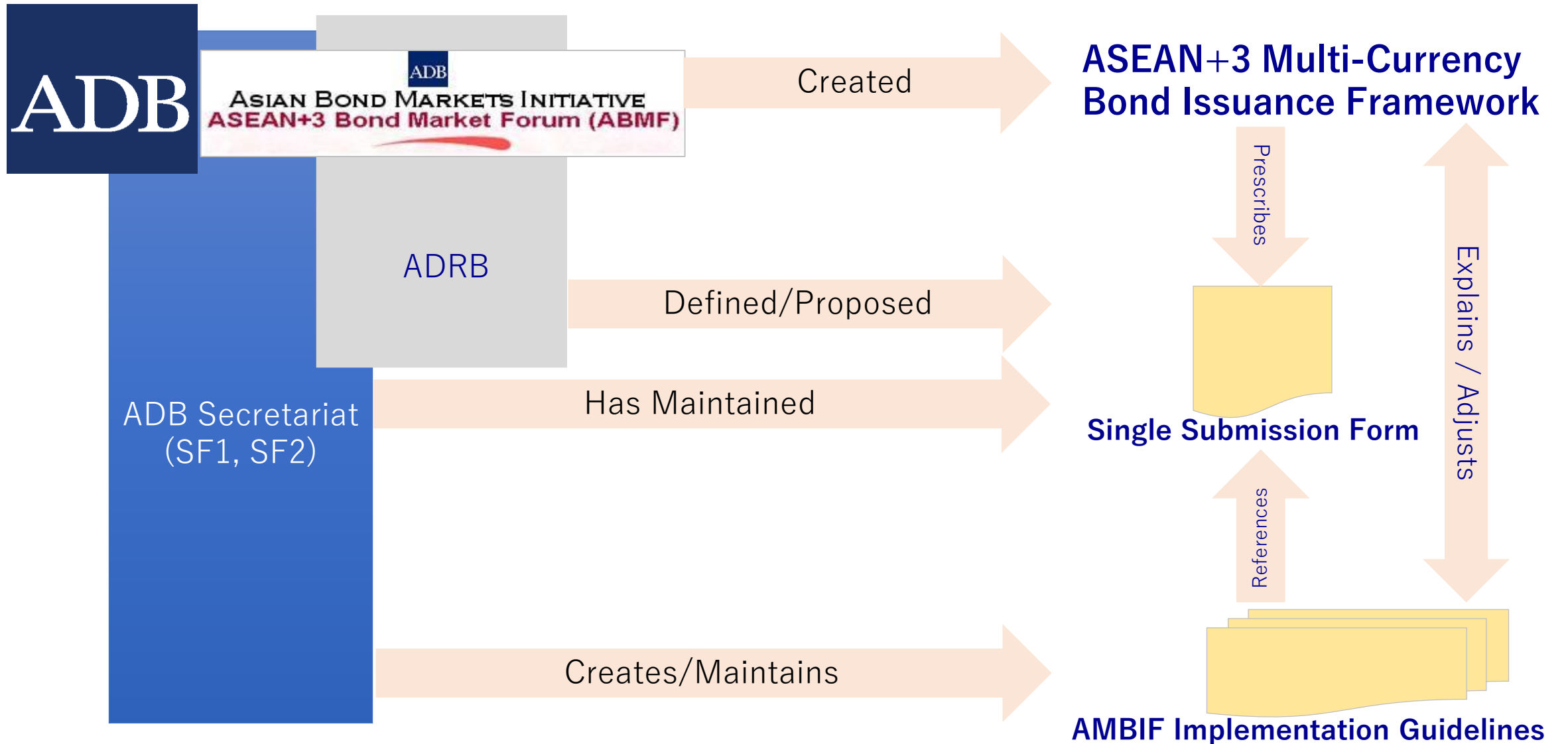
- To help support the ASEAN+3 Bond Market Forum (ABMF) in the establishment of the ASEAN+3 Multi-Currency Bond Issuance Framework (AMBIF), and advise on best practices so that AMBIF would offer intra-regional issuers (Resident of ASEAN+3) a beneficial, additional issuance avenue in the regional domestic bond markets comparable with international markets
- To make professional bond market underwriters in the region ADRB members

## 2-4. Objectives of ADRB

- To make recommendations, from time to time, **on current practices and best practices** in the AMBIF (ASEAN+3 Multi-Currency Bond Issuance Framework) market and their **new issue related documentation including** disclosure documentation practices, to ABMF·ADB Secretariat and/or ADRB Meetings, to ABMF Meetings and other related gatherings, from the viewpoint of market practitioners and professional researchers
- ADRB members, but also ABMF·ADB Secretariat team will give market participants advice based on their experience in international bond markets - this will ensure consistency with international best practices



# 2-5. ADRB Relationship to ADB, ABMF, AMBIF



## 2-6. Status of ADRB

- After 2015 initial creation of the SSF until now, ABMF·ADB Secretariat has been playing the role of ADRB without having formal ADRB meetings
- As such, ADRB as a gathering has not been fully utilised
- There is a significant overlap of ADRB and ABMF members, though
- ABMF·ADB Secretariat team (as ADRB) has been and will try to adequately reflect necessary regulatory elements of all participating AMBIF markets into SSF, and ABMF·ADB Secretariat (ADRB) will consider the guidance by the authorities of participating AMBIF markets
- However, ADRB's function should be re-confirmed; the relation between ADRB and ABMF·ADB Secretariat should be well defined
- For member consideration and discussion: it is proposed to more formally establish ADRB's organizational status within ABMF – See Result (1)

# 3-1. Benefits of Single Submission Form

- Single, common key disclosure document = one place for all relevant information and accepted by regulators/approving institutions
  - Reusable across all AMBIF participating markets = cost and time savings \*)
  - Provision of information (in particular necessary text) in English \*) = cost saving, since no translation needed
  - Combination of above benefits means that a single instance of SSF may be used as template for issuances across a number of participating markets (i.e. company financials same, only bonds/notes specific data to be adjusted)
  - Benefits are particularly significant for issuers with operations in multiple participating AMBIF jurisdictions to raise LCY funds easier, faster, cheaper
- For consideration by members: the proposed benefits of the use of the SSF in the context of AMBIF remain valid?! – See Result (2)

\*) Generally; exceptions or limitations may exist in selected markets

## 3-2. Status of SSF and Contents

- The SSF contents was devised based on international market practice (Info Memo)
  - The data section was subsequently normalised for the specific requirements of participating markets, e.g. Malaysia, Thailand, as well as Cambodia
  - Some revisions proposed due to potential inclusion of China exchange bond market (1. Authorities, 6. Targeted Professional (Qualified) Investor Markets, see Appendix A-1,2 and C)
  - Hence, version count is v53c (12 May 2019); first one was v49 (23 Sep 2015)...  
[https://wpqr4.adb.org/LotusQuickr/asean3abmf/PageLibrary48257E0E003168F8.nsf/h\\_Toc/b6c92460b686fba048257e0e0031b142/?OpenDocument](https://wpqr4.adb.org/LotusQuickr/asean3abmf/PageLibrary48257E0E003168F8.nsf/h_Toc/b6c92460b686fba048257e0e0031b142/?OpenDocument)
  - But, no specific revisions have been made as a result of AMBIF issuances – until now (see PDS request on next slide)
- Key questions: should there be / does there need to be a formal review of the SSF contents after each AMBIF issuance? Or periodically? And, should there be a formal acceptance process for requirements of additional AMBIF Markets? – See Result (3)

# 4-1. SSF Changes Proposed by PDS

Following the Aeon Credit issuance, PDS confirmed that the SSF had more information or specific data than PDEX required according to its own Rules and Guidelines; however, a number of specific information items which PDEX required were not yet addressed in the SSF in a similar manner, namely:

- 1 Definition of Terms
- 2 Disclosure on Relationship of the Underwriter with the Issuer
- 3 Disclosure on Relationship of the Paying Agent with the Issuer
- 4 Disclosure on Relationship of the Registrar and Transfer Agent with the Issuer
- 5 Restrictions on Transfers (in addition to Selling Restrictions)
- 6 The cover page of any disclosure document has to carry an SEC-mandated (and prescribed in law) disclosure statement (see Appendix B)

Note: These terms are common requirements in the global offerings on disclosure regarding conflicts of interest between the issuer and the parties concerned with the offering

➤ Are ADRB members happy to have these PDS proposed items included in the SSF? – See Result (4)

# 4-2. Secretariat Recommendations

- 1 Definition of **Terms** [SSF: assumed to be in attached T&Cs; for discussion]
  - 2 Disclosure on Relationship of the Underwriter with the Issuer
  - 3 Disclosure on Relationship of the Paying Agent with the Issuer
  - 4 Disclosure on Relationship of the Registrar and Transfer Agent with the Issuer
  - 5 Restrictions on Transfers (in addition to Selling Restrictions) [SSF: assumed to be contained in “Selling Restrictions Thereafter”; renaming may solve this]
  - 6 SEC-mandated disclosure statement [may not need to be in the SSF as such, but could consider, e.g., inclusion of ‘[Spaceholder for Disclosure Statements on Selling and Transfer Restrictions mandated by law or regulations at the Place of Issuance]’ [for discussion]
- Items 2-4 appear practical, are easily incorporated into SSF template. Item 5 may be easily solved by renaming the existing field name to include “transfer”. Items 1 and 6 for discussion.

# 5. SSF as Potential Standard in Philippines

PDS expressed its opinion that the SSF could be considered as THE standard key disclosure document for QB Bonds (issuances to Qualified Buyers) in the Philippine bond market, on the assumption that the SSF contents were compliant with PDEX requirements.

PDS appeared willing to prescribe such practice in its rules going forward.

The opinion of the SEC Philippines may have to be sought officially.

➤ For member consideration – See Result (5)

# 6. Usage of SSF in English

- In the Philippines, Hong Kong, Malaysia and Singapore, English is generally accepted as business language
  - Japan and Thailand, where local language is normally required, accept the SSF in English because it is understood that professional investors should be able to understand English
  - Cambodia must use local language (Khmer) for an official document, by law; the SECC is considering accepting the SSF in English as an attachment to an official document or cover letter in Khmer
  - Indonesia has strict language requirements, for all contractual documents to be in Bahasa; hence, an SSF in English alone will not be easy for market parties to accept; the provisions are presently tested in court, but the submission of an SSF in English in addition to an SSF in Bahasa is possible
- ADRB members and ABMF · ADB Secretariat can discuss the issue and consider possible implications if English were to be set as mandatory... – See Result (6)



# 7. Potential SSF Issues Past, Present and Future

- SSF designed on assumption that it would be submitted to approving authorities in physical form / as a printed version
- SC Malaysia already moved to online submission in 2017; might this also be one possible reason why Malaysian ABMF members have largely withdrawn (lack of relevance?)
- In China, CSRC, the exchanges and CSDC all mandate [online submission](#) of applications, disclosure information and registration (see also slide [P. 20](#))
- In other markets, particularly exchanges with listing or profile listing functions already prescribe online submission of continuous disclosure; an extension to initial/issuance disclosure in the near future is possible
- [For member discussion: whether and how to create and maintain an electronic SSF? Any other such issues or considerations? – See Result \(7\)](#)

# 7-1. Periodical SSF Issue

- The SSF is meant to be a single, common document, as a standardised format, but some market specific, or some institution specific information requirement may not be suitable to be included in the SSF
- The regulator in each participating AMBIF market may want to decide what needs to be modified or changed in the SSF, also if the regulator has potential regulatory changes in mind
- Should the SSF be revised based on such guidance, by default? – See Result (7)  
(Please also see 8. PR China subject (1) (2) on Page 19-20 and 27)

# 8. China Exchange Bond Market Approach (1)

- Chinese regulators and market institutions are not familiar (enough) with SSF or AMBIF in general (so far)
  - Market standard submission format exists, **electronic submission** is standard
  - Submission in Chinese mandated (concessions for privately placed Panda bonds, certain issuances)
  - No immediate visibility of the exact contents of existing format; to be studied
- If current SSF does not cover some regulatory elements of CSRC and/or the exchanges, ADRB will discuss whether that should be included in the SSF
  - Though the SSF document would be in Chinese, foreign investors may feel that checking the SSF would be easier as it is a standardized format
  - If SSF can be in English and disclosure under IFRS is accepted by CSRC, this may bring more foreign issuers into the exchange bond market as issuance costs may be cheaper, and issuer may enjoy other benefits, compared to ordinary Panda bond

# 8. China Exchange Bond Market Approach (2)

- A comparative mapping exercise (present form vs. SSF) is required
- ABMF·ADB Secretariat/ADRB to conduct the mapping exercise, with help from PRC colleagues, as necessary (e.g. translation of market format)
- If the required information is largely the same, ABMF·ADB Secretariat could easily recognize the exchange bond market as compatible to AMBIF
- Consequently, an adjustment to the SSF could be considered
- This mapping exercise will help the existing issuers to consider AMBIF in other jurisdictions. If the difference is small, they can utilize the existing info and include them in the SSF which is a template recognized in other markets
- However, that may still not address the issue of [electronic submission](#) (see 7. page 19)

➤ For consideration and discussion (see also next subject) – See Result (8)

# 9. General Discussion: to what extent should SSF be adjusted to fit certain markets' requirements

- ABMF·ADB Secretariat team propose a tentative SSF version v53c (see Appendix A ([page 24-25](#)) for additions in blue font, full version circulated to members for reference)
  - This will simply include the proposed AMBIF markets in PR China into the existing SSF format; possible changes to be determined
    - ABMF·ADB Secretariat team are happy to discuss more with ADRB meeting attendants based on the draft descriptions
    - In this context: what if possible, impact from a single new market were significant?
    - In this context, what if regulators were to ask whether a domestic format may be considered SSF-compatible, and used instead?
- See Result (9)

# 10. Other Topics for Consideration

- Who should perform the role of ADRB Secretariat?
  - For the time being, no possibility other than ADB Secretariat /ABMF SF1 team?
- How often shall ADRB meeting(s) be held?
  - When an ABMF Meeting is held?
  - Convene as and when needed (at ABMF or standalone)?
  - In between, exchange of emails?
    - See Result (10)

# 10. ADRB Member/Observer Candidates

## Members:

- Nomura (Tokyo)
- Daiwa (Tokyo)
- SMBC NIKKO / SMBC (Tokyo)
- Mitsubishi UFJ Morgan Stanley / BTMU (Tokyo)
- Mizuho / Mizuho Sec (Tokyo)
- Barclays (Tokyo?)
- JPMorgan Chase (Hong Kong, Tokyo)
- Citi (Tokyo)
- Deutsche Bank (Singapore)
- CIMB (Kuala Lumpur)
- SBI Securities (Tokyo)
- HSBC (Hong Kong, Tokyo)
- First Metro Investment Corporation (Manila)

## Observers:

- JSDA (Japan)
- TSE (Japan)
- JASDEC (Japan)
- ThaiBMA (Thailand)
- Deloitte Tohmatsu (Japan)
- ASIFMA (Hong Kong)
- ICMA (International Capital Market Association)
- Shanghai Stock Exchange (PR China-Exchange market)
- Shenzhen Stock Exchange (PR China-Exchange market)
- CSDC (PR China-Exchange market)
- NAFMII (PR China-CIBM)
- CCDC (PR China-CIBM)
- SHCH (PR China-CIBM)

➤ ADRB may, from time to time, strive to add AMBIF bond related institutions

**Red font: Candidates proposed to be invited to ADRB**

# Appendix A-1: SSF1

## 1. Authorities and market institutions applied to for an approval and profile listing or registration in each market

Targeted Market		Regulatory, Listing, or Registration Authority, and Market Institution	Purpose of Submission	Tick
Cambodia	1-1.	Securities and Exchange Commission of Cambodia (SECC)	Approval	
	1-2.	National Bank of Cambodia (NBC)	Approval	
	1-3.	Cambodia Securities Exchange (CSX)	Submission for Listing	
People's Republic of China (CIBM)	2-C1.	People's Bank of China (PBOC)	Approval	
	2-C2.	National Association of Financial Market Institutional Investors (NAFMII)	Submission for Registration	
People's Republic of China (Exchange)	2-E1.	Shanghai Stock Exchange (SSE)	Submission for Examination for Issuance and Review for Listing/Enrolment	
		Shenzhen Stock Exchange (SZSE)		
	2-E2.	Shanghai Stock Exchange (SSE)	Submission for Listing/Enrolment	
		Shenzhen Stock Exchange (SZSE)		
2-E3.	Securities Association of China (SAC)	Submission for Post-Issuance Reporting		
Hong Kong, China	3-1.	Hong Kong Exchanges and Clearing Limited (HKEx)	Submission for Listing	
	3-2.	Hong Kong Monetary Authority (HKMA)—Central Moneymarkets Unit (CMU)	Approval	
Indonesia	4-1.	Indonesian Financial Services Agency (OJK)	Approval	
	4-2.	PT Kustodian Sentral Efek Indonesia (KSEI)	Approval	
Japan	5.	Tokyo Stock Exchange (TSE)—TOKYO PRO-BOND Market	Submission for Listing	
Republic of Korea	6-1.	Korea Exchange (KRX)	Submission for Listing	
	6-2.	Korea Financial Investment Association (KOFIA)	Submission for Registration	
Lao	7-1.	Securities and Exchange Commission Office (SCC)	Approval	
Malaysia	8-1.	Securities Commission Malaysia	Lodgement of Documents and Information under the Lodge and Launch Framework	
	8-2.	Bank Negara Malaysia (BNM)	Request for Approval (for Purposes of Foreign Exchange Administration)	
Myanmar	9-1.	Securities and Exchange Commission	Approval	
	9-2.	Central Bank of Myanmar	Approval	
Philippines	10-1.	Securities and Exchange Commission of the Philippines (PH SEC)	Submission of Notice of Exemption	
	10-2.	Bangko Sentral ng Pilipinas (BSP)	Request for Approval	
	10-3.	Philippine Dealing & Exchange Corp. (PDEX)	Enrolment for Listing cum Trading	
	10-4.	Philippine Depository & Trust Corp. (PDTC)	Approval	
Singapore	11-1.	Singapore Exchange Securities Trading Limited (SGX)	Submission of Application for Listing	
	11-2.	Central Depository Pte Ltd.(CDP)	Approval	
Thailand	12-1.	The Securities and Exchange Commission, Thailand (Thai SEC)	Filing for Approval	
	12-2.	Public Debt Management Office (PDMO) of the Ministry of Finance	Request for Approval	
	12-3.	Thai Bond Market Association (ThaiBMA)	Submission for Registration	
	12-4.	Bank of Thailand (BoT) <i>(only if issuer is a financial institution and the use of proceeds is for capital requirements)</i>	Request for Approval	



# Appendix A-2: SSF2

## 6. Targeted Professional Investor Markets in ASEAN+3:

No.	Targeted Professional Investor Market*				
1.	Cambodia: Targeted Offers to Qualified Investors				
2-1.	People's Republic of China: Inter-Bank Bond Market (CIBM) <ul style="list-style-type: none"> <li>● Targeted Placements (PP) of Debt Financing Instruments to Specified Institutional Investors* (*: Institutional Investors who are designated by the issuer and the lead underwriter)</li> <li>● Targeted Placements (PP) of Debt Financing Instruments to Specialized Institutional Investors** (**: Institutional Investors selected by NAFMII; a list of 120 institutions, to be reviewed periodically)</li> </ul>				
2-2.	People's Republic of China: Exchange Bond Market <ul style="list-style-type: none"> <li>● Offering to Qualified Investors <table border="1"> <tr> <td>Qualified Investors</td> <td></td> </tr> <tr> <td>Qualified Institutional Investors</td> <td></td> </tr> </table> </li> <li>● Non-public placement to Qualified Investors (Private Placement)</li> </ul>	Qualified Investors		Qualified Institutional Investors	
Qualified Investors					
Qualified Institutional Investors					
3.	Hong Kong, China: Professional Investors Only Market				
4.	Indonesia: (Offering to Professional Investor) Non-Public Offering (Private Placement)				
5.	Japan: TOKYO PRO-BOND Market (Professional Investor Market)				
6.	Republic of Korea: QIB Market				
7.	(Lao People's Democratic Republic: PP Market)				
8.	Malaysia: Excluded Offers – Sophisticated Investors Market				
9.	(Myanmar: PP Market)				
10.	Philippines: Qualified Buyers' Market				
11.	Singapore: Wholesale Market (Institutional Investors Market)				
12.	Thailand: PP-II (private placement - institutional investors) Regime				
13.	Viet Nam: PP (Institutional Investors) Market				

# Appendix B: PH Mandated Disclosure Statement

[For reference only]

To be affixed on cover page or in a prominent position; to be printed in bold letters:

THE SECURITIES BEING OFFERED OR SOLD UNDER THIS OFFERING MEMORANDUM HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION (SEC) AS THE ISSUANCE IS AN **EXEMPT TRANSACTION** UNDER SECTION 10.1 (L) OF THE SECURITIES REGULATION CODE (SRC). UPON ISSUANCE, THESE SECURITIES SHALL BE SIMULTANEOUSLY ENROLLED AS SECURITIES THAT MAY BE **TRADED BETWEEN AND AMONG QUALIFIED BUYERS** WHICH ARE JURIDICAL PERSONS AT THE PHILIPPINE DEALING & EXCHANGE CORP. (PDEX) IN ACCORDANCE WITH THE PROCEDURES AND REQUIREMENTS SET FORTH IN THIS OFFERING MEMORANDUM, AND THE RELEVANT PDEX RULES, OPERATING FRAMEWORK, AND TRADING CONVENTIONS. ANY FUTURE OFFER OR SALE OF THE SECURITIES WITHIN THE PDEX TRADING SYSTEM MUST BE TO QUALIFIED BUYER WHICH IS A JURIDICAL PERSON, AS DEFINED AND PRESCRIBED UNDER THE SRC AND ITS IMPLEMENTING RULES AND REGULATIONS. FOR SALES THAT DO NOT OBSERVE THE PROCESSES SET FORTH IN THIS OFFERING MEMORANDUM, OR THAT OCCUR OUTSIDE THE PDEX TRADING SYSTEM, THE SALE TO A NON-QUALIFIED BUYER IS SUBJECT TO THE REGISTRATION REQUIREMENTS UNDER THE SRC, AND SUCH OTHER CONSEQUENCES AS MAY BE PROVIDED UNDER THE PDEX RULES.

THE OFFER AND ISSUANCE OF THE NOTES ARE **MADE SOLELY TO QUALIFIED BUYERS** WHICH ARE JURIDICAL PERSONS UNDER SECTION 10.1(L) OF THE SRC AND SECTIONS 10.1.3.1, 10.1.3.2, 10.1.3.3, 10.1.3.4, 10.1.3.5, AND 10.1.3.6 OF ITS IMPLEMENTING RULES AND REGULATIONS, WITH THOSE UNDER SECTION 10.1.3.6 HAVING BEEN DULY QUALIFIED BY A DULY SEC-REGISTERED QUALIFIED INVESTOR REGISTRAR. THE OFFER AND ISSUANCE IS **EXEMPT** FROM THE REGISTRATION REQUIREMENTS OF THE SRC. THE ISSUER WILL NOT OBTAIN A CONFIRMATION OR DECLARATION OF SUCH EXEMPTION FROM OR FILE A NOTICE OF SUCH EXEMPTION WITH THE SEC.

# Appendix C: AMBIF Elements

## And relevant PR China Bond Market Features

AMBIF Elements	Brief Description	CIBM	Exchange Market
1. Domestic Settlement	Bonds and notes are <b>settled at a national CSD</b> in ASEAN+3 markets.	✓ CSDC or SHCH	✓ CSDC
2. Harmonized Documents for Submission (Single Submission Form: SSF)	A common approach is of submitting information as input for <b>regulatory process(es)</b> where approval or consent is required. <b>Appropriate disclosure information</b> along with an <b>ADRB recommendation</b> needs to be included.	Submit SSF to NAFMII (Need further discussion)	Submit SSF to SSE or SZSE (Need further discussion)
3. Registration or profile listing at ASEAN+3 (Place of continuous disclosure)	Information on bonds, notes, and issuers needs to be disclosed continuously in ASEAN+3 markets. <b>Registration or a listing authority function</b> is required to ensure continuous and quality disclosure.	<ul style="list-style-type: none"> <li>✓ Registration with NAFMII</li> <li>● Private placement to Qualified Investors</li> </ul>	<ul style="list-style-type: none"> <li>✓ Listing on SSE or SZSE               <ul style="list-style-type: none"> <li>● Offering to Qualified Investors, or</li> <li>● Non-public (Private) placement to Qualified Investors</li> </ul> </li> </ul>
4. Currency	The denomination of an issue is generally expected to be in the domestic currency of each ASEAN+3 market.	✓ CNY	
5. Scope of Issuer	Resident of ASEAN+3	✓ Panda bond eligible ASEAN+3 resident issuers	
6. Scope of Investors	Professional investors defined in accordance with applicable laws and regulations, or market practice, in each ASEAN+3 market	✓ Targeted Investors (Specified / Specialized Institutional Investors)	Qualified (Professional) Investors

# Discussion Results

Summary of the Discussion Results,  
ADRB Meeting in Tokyo, 21 June 2019

# Summary of the Discussion Results, ADRB Meeting in Tokyo, 21 June 2019 (1/6)

1. It is proposed to more formally establish ADRB's organizational status within ABMF

*There were no objections from the ADRB attendees, and it was decided to convey the proposal to the ABMF/ADB Secretariat team; there was no objection from ABMF/ADB Secretariat. In response to this, ABMF/ADB Secretariat (for the time being represented by S. Inukai) will contact ADRB members/observers when an ABMF meeting is to be held, and at that time, decide (whether) to hold an on-site ADRB Meeting, if possible.*

2. The proposed benefits of the use of the SSF in the context of AMBIF remain valid?!

*There were no objections or disagreements from the ADRB attendees.*

3. Should there be a formal review of the SSF contents after each AMBIF issuance? Or periodically? And, should there be a formal acceptance process for requirements of additional AMBIF Markets?

*If the need for a review of the contents of the SSF is claimed by relevant parties such as the regulatory body or listing authority of a given market, such review should be conducted by ADRB Secretariat/ADRB members, and draft revision(s) be prepared, as may be necessary. The process of adoption of any necessary changes by ADRB members will be conducted by e-mail communication or at the next possible ADRB Meeting (ADRB will not adopt a formal approval procedure, such as majority vote).*

## Summary of the Discussion Results, ADRB Meeting in Tokyo, 21 June 2019 (2/6)

4. Are ADRB members happy to have the items proposed by PDS included in the SSF?

*There was no objection from the ADRB attendees, so it was decided that ADB Secretariat would incorporate the proposed changes into a next SSF version.*

*Note: These requirements are also common in global offerings*

5. SSF as Potential Standard in Philippines

*There was no objection from the ADRB attendees PDS' view that SSF may be the standard in the Philippine professional bond market. It was decided, as a next step, communicating this to PDS, and to discuss with PDS on hearing the SEC Philippines' views on this matter.*

6. ADRB members and ABMF/ADB Secretariat can discuss/consider possible implications if English were to be set as mandatory.

*ADRB members agreed that ADRB members and ABMF/ADB Secretariat will discuss the issue of setting English as a required language for the SSF and will consider possible impacts. Note: These requirements are also common in global offerings*

*At the same time, ADRB members recognised that, as long as the current SSF template was used in participating markets, the matter of in which language it was to be submitted was of secondary importance. Key was to set and maintain a standard.*

## Summary of the Discussion Results, ADRB Meeting in Tokyo, 21 June 2019 (3/6)

7. Whether and how to create and maintain an electronic SSF? Any other such issues or considerations? Should the SSF be revised based on regulators' guidance, by default?

*ADRB members have no objection to ADRB members and ABMF/ADB Secretariat discussing the creation and significance of an electronic SSF and examining possible effects. The way of thinking about the review of the SSF is as described in 3 above.*

## Summary of the Discussion Results, ADRB Meeting in Tokyo, 21 June 2019 (4/6)

8. Malaysia introduced online submission in 2017 for bond issuance but has not seen AMBIF bonds issued using the SSF. It is necessary to investigate the relationship between the LOLA concept and the SSF further. Also, in China's exchange bond market, a market standard electronic submission format already exists. There, SSE/SZSE and CSDC facilitate the integrated and standardized online submission of applications, disclosure information and registration. It will be necessary to confirm how the SSF can be integrated/harmonized with those systems. In any case, with the cooperation of SSE/SZSE and CSDC, and the abovementioned questions and issues in mind, ABMF/ADB Secretariat/ADRB members need to carry out a mapping exercise (including the translation of the market format). ABMF/ADB Secretariat can easily recognize the exchange bond market as compatible with AMBIF if the required information is comparable to the SSF.

*ADRB members have no objection to ADRB members and ABMF/ADB Secretariat conducting a mapping exercise for the China exchange bond market.*



## Summary of the Discussion Results, ADRB Meeting in Tokyo, 21 June 2019 (5/6)

9. To what extent should SSF be adjusted to fit certain markets' requirements? What if possible impact from a single new market were significant? What if regulators were to ask whether a domestic format may be considered SSF-compatible, and used instead?

*The format (specified securities information) of TOKYO PRO-Bond Market is SSF-compatible. There were no objections or disagreements from the ADRB attendees regarding the view that it would be desirable for any format in the professional bond markets in ASEAN+3 to be SSF-compatible. In turn, this would mean that the SSF would have to be comparable to each market's format.*

10. Who should perform the role of ADRB Secretariat? How often shall ADRB meeting(s) be held?

*ADRB members have agreed that, for the time being, ADB Secretariat/ABMF SF1 team can perform the role of ADRB Secretariat. ADB confirmed that this was acceptable for the immediate future and will need to be reviewed after, say, 18 months.*

*ADRB members agreed that an ADRB Meeting shall be held when an ABMF Meeting is held, and it may be convened as and when needed at ABMF, and in between, by exchange of emails.*

Summary of the Discussion Results,  
ADRB Meeting in Tokyo, 21 June 2019 (6/6)

10. Additional ADRB members/candidates were proposed.

*No objection was recorded from ADRB members to invite the proposed additional ADRB members or candidates to join ADRB Meetings and proceedings.*

(END)

# Comments/Opinion received after the ADRB meeting in Tokyo on 21 June

As one of the future objectives of ADRB, it is also crucially important that making recommendations on those to prospective AMBIF Bond underwriters in member countries with the aim of implementing AMBIF documentation properly.

Otherwise, ADRB may not be able to make an effective and necessary review to their local format existing based on the local underwriters' / local law firms' umbilical cord.

(Opinion received from one international expert who has an underwriter experience in domestic and international markets)

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