

**ASEAN+3 Bond Market Forum (ABMF) - Eighth Meeting
Makati Shangri-La Hotel, Metro Manila, Philippines**

17 and 18 April 2012

Meeting Minutes

I. Executive Summary

1. The eighth ASEAN+3 Bond Market Forum (ABMF) was held in Manila, the Philippines, on 17 and 18 April 2012. Sessions for Sub-Forum 1 (SF1) and Sub-Forum 2 (SF2) were held on consecutive days. A separate meeting of self-regulatory organisations (SROs), which is named as ASEAN+3 SRO working group meeting and expected to provide inputs to the ABMF discussions, was held subsequently on 19 April 2012. The main objectives of the ABMF meeting were to discuss with the members i) further clarify the focus of Phase 2(2012-2013) activities, ii) the details of the questionnaires for Sub-Forum 1(SF1) and Sub-Forum 2(SF2) to collect necessary information required for Phase 2, activities, and iii) to share relevant information with the members.

2. As the key output of Phase 1 (2010-2011) ABMF activities, ASEAN+3 Bond Market Guide (the Guide) was published on 4 April 2012, with an ADB press release and background information on Asian Bond Market Initiative (ABMI) and ABMF. The Guide was distributed to general public and the industry participants, with significant efforts from the members, observers, International Experts and other available channels. The ABMF homepage where the Guide accessible, mirror and feeders sites were reached by substantial number of securities industry participants within the first few days after publication and was expected to continue playing a role in disseminating key messages from the work of ABMF.

3. ADB Secretariat proposed updating plan for the Guide after publishment. The Secretariat updated the members on the dissemination efforts as above, and suggested ABMF public conference to further disseminate key ABMF activities. The conference was seen most suitable to be organized during Sibos¹ meeting on 29 Oct – 2 Nov 2012, in Osaka, Japan, although opportunities may exist during the planned Phase 2 market visits or at the next ABMF meetings, depending on the location. Discussions with SWIFT, the organizer of Sibos meeting, have been started to seek the possibilities of organizing the conference. A final decision on when and where to have the conference will be made in conjunction with the SF1 and SF2 Chairs after taking other stakeholder feedback.

4. ADB consultants detailed the proposed questionnaires in support of the approved activities for ABMF Phase 2. SF1 will query on major points towards the creation of AMBIP (Asian Multi-Currency Bond Issuance Programme), including professional investor and private placement practices, documentation, timelines and issuance/issuance approval processes, and also research intermediaries and SRO practices. Regulatory authorities and additional market practitioners are likely to be invited for the next ABMF meeting. In SF2, the questionnaire will focus on corporate bonds transaction flows, the relevant flows for interest payment and redemption corporate actions, and current and proposed future development in support of

¹ Sibos is a world-wide forum brings together the financial industry to meet, learn, do business, and discuss the future of the financial industry. It is facilitated and organized by SWIFT.

creating a roadmap across the ASEAN+3 bond markets; in addition, the questionnaire seeks the 10 most common elements of domestic message formats, in support of the fit & gap analysis of bond transactions against the ISO20022 standard. To support members' efforts in filling out the respective questionnaire(s), the Secretariat will include or make reference to relevant Phase 1 findings and flow charts.

5. A number of information sessions were held on the sideline of main SF1 and SF2 discussions: ACRAA representatives detailed the recent study on mapping of national scale ratings: International Expert from BNP Paribas shared the European experience on post-trade harmonisation of cross-border bond transactions: Members from Japan shared the recent case study of the ING listing on the TOKYO PRO-BOND Market: PDS Group updated members on the Philippine bond market concept, including bond transaction and corporate action flows: SWIFT introduced to members the new MyStandards tool for capturing messaging standards and market practices: International Experts from Bank of Tokyo-Mitsubishi UFJ and ASIFMA updated members on the latest developments and proposed plans for the Legal Entity Identifier (LEI) concept.

6. The Secretariat presented work plan after the Manila meeting as in table below.

Table 1: Work Plan for Phase 2 AMBF

| | |
|---------------------------|---|
| 17-18 Apr 2012 | 8 th ABMF meeting in Manila, Philippines |
| 2-3 May 2012 | AFDM+3 and AFFM+3 in Manila, Philippines |
| 4-5 Sep 2012 | 9 th ABMF meeting |
| Oct 2012 | ABMI TF3 meeting (second reporting of Phase 2) |
| Nov 2012 | AFDM+3 |
| Dec 2012 | 10 th ABMF meeting |
| Feb 2013 | 11 th ABMF meeting |
| Mar 2013 | ABMI TF3 meeting (third reporting of Phase 2) |
| Apr 2013 | 12 th ABMF meeting (finalizing Phase 2 report) |
| Apr 2013 | AFDM+3 (submitting the Phase 2 report) |
| May 2013 | AFMM+3 (Phase 2 report to be approved) |
| 2 nd Half 2013 | Pilot issue through the common bond issuance program |

7. The next meeting of ABMF Phase 2, or the 9th ABMF Meeting, will be hosted by Korean ABMF members in Seoul, on 4 and 5 September 2012, at the Lotte Hotel. The 9th ABMF Meeting is intended to share the data collected through market visits and discuss the key findings. The Secretariat will send a formal invitation of 9th ABMF meeting to the members and observers by July 2012, and also to the regulatory authorities to seek their attendance at the meeting. The subsequent meeting of ABMF Phase 2 will be in early December 2012, with the decision on the hosting of the event still pending.

8. All presentation materials from the Manila meeting, as well as the ABMF Report, press release and background materials have been uploaded to the Members Library section, or the general ABMF website (<http://asean3abmf.adb.org>), respectively.

II. Summary of Key Discussion Points

Sub-Forum 1

Welcoming Remarks by Commissioner Mdm. Juanita E. Cueto, Securities and Exchange Commission, Philippines

Mdm Cueto shared recent market developments in the Philippines and their background, emphasised the need for a clear and defined fiscal and regulatory framework around the bond market and asked members to be mindful of the regulators' mandate when defining a common bond issuance programme and a common market going forward.

Opening Remarks by SF1 Chair - Mr. Tetsutaro Muraki, Tokyo-AIM

Mr Muraki expressed his sincere thanks to all gracious hosts, including the Philippine Department of Finance, The Bureau of Treasury, Asian Development Bank, and PDS Group. SGX was welcomed as a new member from Singapore, represented by Ms Tng Kwee Lian, head of fixed income; plus two of her colleagues from the regulatory and issuance departments.

Session 1: Developing Common Bond Issuance Program (Part 1) - Prof. Shigehito Inukai, ADB Consultant

Prof Inukai stated that ABMI recognised that ABMF would, ultimately, create an intra-regional professional securities market. With regards to mutual recognition, markets needed to overcome any applicable restrictions, and members may be called upon to fill in the blanks in practices or processes that existed. SF1 members could also consider proceeding with a multiple bilateral approach or, if members were sufficiently comfortable, could directly proceed towards a multilateral agreement. In addition, the participation of regulatory authorities would be a key success factor for Phase 2.

The questionnaire items were necessary to determine how best to connect the professional markets, and their participants, among the ASES+3 jurisdictions, this being the SF1 key objective. One key area of discussion would be to identify and recognise the common denominators in the professional investor concepts in the region. For that, SF1 would need to compare investor type characteristics across markets. Another key area would be the focus on exempted markets and/or exempted transaction concepts as they existed or were planned for. The next area of focus would be any possible transfer restrictions to general and retail investors in the primary and secondary markets, respectively.

The expected outcomes from the SF1 work would be to standardise the issuance program related documentation and terminology; to standardise underwriting procedures, and to synchronise eligible issuers, and the feasibility of secondary market making. ABMF will then consider an implementation of the program and a pilot issue.

Session 2: Developing common bond issuance program (Part 2) - Q and A

Members shared their comments on the Questionnaire content. The proposed grouping of economies into 3 categories was, ultimately, seen as not necessary or beneficial for the SF1 activities, which Prof Inukai accepted. On disclosure, any

further design for a common market or common programme should incorporate the minimum or limited disclosure requirements already set in individual countries. One more consideration should be what type of instrument was suitable for a common market or programme; plain bonds could be considered ok, but complex bonds might have to be subjected to additional considerations. Pilot projects could be a driving force for the proposed common issuance programme; references were made to a possible ADB listing on the TOKYO PRO-BOND Market.

Members from economies with nascent bond markets commented on their lack of regulations, requirements and infrastructure for a bond market, indicated that they would very much like to develop market standards in line with the other ASEAN+3 countries, and asked how to best get started. ADB secretariat was hoping to address some of the requirements in the course of Phase 2.

Members should also consider what could be done to further induce (public) issuers to access any existing professional market - this perhaps by finding ways of incentivising more issuers to follow suit.

Session 3: (Information Session): Mapping National Scale Ratings Across Sovereigns in Asia - Presentation by Mr. Faheem Ahmad, ACRAA

The study, based on data from ACRAA members (30+ agencies across 14 jurisdictions) was undertaken on the principle that credit rating scales and international scale ratings are intended to be comparable with other rated entities worldwide. National scale ratings, in turn, were not necessarily intended to be internationally comparable, and are anchored to the creditworthiest issuer in a given domestic market. The key objective had been to establish measures of ratings comparability. References were made to other studies. One key message was to regulators, to encourage to have bonds issued across the rating spectrum, so that all rating bands get populated. This would also benefit the breadth and depth of a market.

Mr Iwai, from JMOF, commented that ratings were an unavoidable issue for the cross-border promotion of bonds across our region. This study should aid further standardisation, lead to a convergence of domestic credit ratings across markets. Therefore, JMOF would like to have ACRAA further study this topic to be able to put CRs forward as an important investment criterion. Much appreciated if ACRAA would further study by expanding the data collection. JMOF was willing to support ACRAA, either as part of ABMI or ABMF.

Session 4: (Information session): European Experience on developing cross-border bond transactions - Presentation by Boon-Hiong Chan, Deutsche Bank

A European Directive had the effect of passporting a prospectus approval across member economies, with latest provisions for a professional (and High Net Worth Investors) market to be implemented in July 2012, including a change of minimum investment from EUR 50' to 100'. One key message was the short time to market for bond issuances, from agreement to listing/issuance within 8 weeks. The cost to establish a typical bond issuance programme was given as USD 400'-600'; requiring 2 tranches to break even.

Need to consider that the years 2014-2016 have a number of major implementations of (regulatory) initiatives across Europe, US that will also be impacting Asia; this may need to be considered as possible impact or implication on resources across ABMF.

Session 5: (Information session): Information on Other Issues

Mr Iida, Tokyo AIM, provided an outline of TOKYO PRO-BOND Market and the case study of the recent ING listing, and touched on credit rating and lead managing underwriter requirement, language and accounting standards. The listing fee was equivalent to about USD 12,000. In comparison to e.g. a Europe market issuance, the governing law is Japanese law, settlement was in Jasdec, use of Japanese market conventions, including interest rate calculation, and a less onerous legal restriction on resale. The investor profile included banks, regional banks, insurance companies, asset management companies and also attracted foreign demand. This was also welcomed by the domestic investors.

Mr Suzuki, for Barclays Japan, commented that key questions during the ING listing included how far back financial information should be provided, since the regulations were not that detailed. Based on commercial considerations among managers, it was decided to use a three-year timeframe and, hence, a yardstick for financial information disclosure was successfully established.

Ms Nobuhiro from Nomura stated that issuers in Japan could only pursue a limited window of issuance due to a number of factors highlighted in her presentation.

Session 6: Other issues of SF1

- **Updates and management of Phase 1 Report (Mr. Seung Jae Lee)**
- **Dissemination of the Phase 1 Report (Mr. Matthias Schmidt)**

Following the publication of the ABMF Report, Mr Lee from ADB stressed the focus was now to continue to keep the publication relevant to the public. He detailed the proposed 4 steps needed to do regular and relevant maintenance, both ad-hoc as well as regular updates. Translating the ABMF Report into local languages was welcome, but members should kindly contact ADB secretariat to conclude a translation license agreement (TLA) prior to distribution in local language. The official report will remain as the English version.

Mr Lee referred to some criticism in the press where it was suggested that ABMI efforts were slow with only the ABMF Report as output after 10 years; this should not be seen that ABMF is slow but ABMF members needed to be mindful of producing high quality output on a regular basis.

Wrap up: Mr Seung-Jae Lee, ADB Secretariat

SF1 focus for Phase 2 had been presented to ABMI recently, will be on professional market, and key objective will be to introduce a regionally standardised issuance programme, which enables issuers to issue bonds in any participating market using a single, standardised set of documentation. It was important to move beyond differing understanding of terminology to find the right professional market elements of each and every market so that they may connect as a common regional market. The Questionnaire requests the type of information ABMF needs to also assess the mutual recognition ability; the attributes of each market will be looked at for their suitability of mutual recognition, and level of possible standardisation.

ABMF was not focusing on a domestic type-144A market. In any case, ABMF cannot reach a conclusion until the individual market features have been properly assessed.

Sub Forum 2

Welcoming Remarks by Mr. Noritaka Akamatsu, Deputy Head of OREI, ADB

On behalf of ADB, Mr Akamatsu wanted to welcome all members and participants to Manila and the 8th ABMF Meeting and wanted to specifically thank the Government of the Philippines, specifically the Department of Finance, The Bureau of Treasury, and PDS Group for the excellent hosting arrangements.

Mr Akamatsu expressed his high regard for ABMF. He pointed out that, from time to time, one may hear contrasting views on, e.g. ABMI. One article complaining about ABMI as being too slow appeared overly cynical and certainly poorly informed. If looked at in the right light, ABMI is seen as the most successful initiative in driving market development and integration, so much so that the African Development Bank had approached ABMI to learn from the experience.

ABMI would need to engage the real stakeholders of the market. Key subjects ranged from market infrastructure to trading behaviour. For this, ABMI needed to involve market operators, central banks and other market participants. For this bringing together of stakeholders, ABMI's role was crucial. No single party could dictate a market's development, let alone a region's. ABMF has started playing the role as a conduit for many of these subjects. ABMF was currently positioned under Task Force 3 of ABMI. In his personal opinion, Mr Akamatsu felt that ABMF should become the common platform for the implementation of as many of these subjects as possible.

Session 7: Focus of Phase 2 activities (Part 1) – Dr Taiji Inui, ADB Consultant

Dr Inui related the significant response on the ABMF Report from parties across the globe, including World Bank and US Federal Reserve contacts. The report shows the soundness and readiness of the ASEAN+3 region in relation to other parts of the world.

Dr Inui used the bond market infrastructure diagram in the ABMF Report to highlight the intention in Phase 2 to achieve a similar diagram for the corporate bond market segments across the ASEAN+3 markets. In addition, one key task would be to draw comparable charts for the corporate bond transaction flows, in a manner similar to the government bond transaction flows compiled under Phase 1. As a new task in Phase 2, the objective for SF2 will be to document the interest payment and redemption processes across the markets. Dr Inui detailed the level of information required using a set of sample responses for the Japanese, Indonesian and Korean markets that were introduced to members at the Hong Kong conference. The intention would be to achieve a common format. In addition, it would be extremely beneficial to describe if in any market specific differences between domestic and foreign investor related flows existed. It would also be beneficial to consider/include the customer side into the processes, to fully understand the flows and messaging.

Dr Inui requested members and experts to detail to the extent possible considerations that influenced these flows and any plans for the development of these market processes that are already planned or thought about. This included migrations to ISO20022 in the book-entry and RTGS systems. For major trading, clearing and settlement system changes or upgrades, members were asked to kindly share migration plans.

There was a need to discuss further on trade matching and settlement pre-matching. While pre-settlement matching has been discussed previously it would be important to obtain additional information on the matching systems and how they worked. One key element would be the network between market participants in the trading, matching and settlement processes, since in some markets, a trade need not be re-entered into the matching or settlement systems, while in other markets there was such need.

In Phase 1, SF2 had not discussed the influence or impact of market practices or SRO rules on the transaction flows; this could include rounding, error margin and other details. Also important would be cut-off times or designated timelines for the reversal of instructions. In some markets, there may be an agreement to enter transaction in the morning, or at other specific times, this should be factored into the flow description. This would also capture the treatment of failed trades and the costs they attract throughout the processing cycle.

It would be most beneficial to limit the fit & gap analysis to the 10 most common message elements. The description of the Message elements, as well as the prevailing international standards available for each element, followed.

Dr Inui would also like to include the cross-border OTC market. The Questionnaire now included information about allocations between broker and investment managers. Standard settlement instruction concepts that existed in the markets should be included to better understand the cross-border transaction flows. Important here would also be to list any apparent barriers, but also the envisaged benefits from removing such barriers. In addition, members should probably consider the idea of a regional settlement cycle concept. In comparison, The Giovannini Report had prescribed such initiative for Europe about 10 years ago but an implementation had not yet been achieved.

When drawing the SF2 roadmap, it was needed to factor in many other developments that could have an impact on the bond market or their harmonisation and the standardisation of the messaging.

Further comments on the issues and approaches (Mr Shinji Kawai)

Mr Kawai expressed his hope for members' kind understanding and continued cooperation on the workload, demanding as it appeared. There was no need to repeat the same answers as in Phase 1, but instead ADB Secretariat was looking for validation and changes since the last Questionnaire. This included legal and other market barriers and possible future market developments.

In Phase 2, ABMF was also ready to support the economies with nascent bond markets. ADB Secretariat will do its best to accommodate individual needs to the extent possible. AAC by 2015 would overlap and/or coincide with further and planned developments in individual markets. It would be important and beneficial to know where the development of the nascent economies would go relative to this initiative.

- Transaction flows of member economies (Philippines) – Mr Antonino A. Nakpil, PDS Group

Mr Nakpil gave a profile of the Philippine bond market, issuance, trading and clearing and settlement environments, as well as the coupon and redemption processes and shared thoughts on further developments.

Key bond market participants are the regulators, SEC, and BSP. The national issuer is the Department of Finance, with the Bureau of Treasury as the key entity who issues on behalf of the government. National market utilities/operators include the BSP/PhilPass and BTr/ROSS, as well as the PDS Group companies. The market structure was formed by the regulatory framework; key landmark were the 2006 rules and regulations for OTC and exchange bond markets. The key idea behind this was the integration of utilities from trading to settlement within the market segments; this included the FX trading platform. PSSC provides a synchronised settlement process.

Market trading is dominated by government securities, the corporate bond market is nascent. Issuance processes are fairly well developed on the government side, with regular auctions and facilities for additional issuance beyond auctions, as well as exchange programmes, to redeem old issues. The Philippines uses the term 'qualified investor' to distinguish from public investors. The professional market cannot be segregated from other market segments, all parties have to work together to sustain the market as a whole. Details shown across presentation slides.

One key government initiative was to further integrate the investor base, including the trading of government securities across tax categories. Plans exist to enhance a sub-registry corporate action service that can track holding periods of government bondholders and auto-adjust coupon payments. The capability to undertake such programme had been verified by the Revenue Bureau. Investors are expected to need to register to participate.

Members posed a number of questions on the Philippine market presentation, on access for foreign investors and relating to trading across tax categories, and possibly resulting price differences. The local market was focused on yield, however, and no price difference evident. International Experts enquired on the existence of both quote driven and order driven segments on the same platform. The quote driven system sees the majority of volume, but PDEX offered an integrated system and sees good order-driven volume. On a question whether PDTC holds foreign securities, Mr Nakpil pointed to PDTC's account with Clearstream. The Bureau of Treasury issued USD and EUR multi-currency bonds in 2010, with PDTC providing sub-registry services; domestic USD clearing was used, with few transactions in EUR observed.

Session 8: Focus of Phase 2 Activities (Part 2) - Q and A

Members provided some general feedback and comments. ABMF had achieved quite a bit, had proven that public and private sectors can come together and pursue common objectives; in fact public and private sectors needed each other to make these objectives happen. Investors comments on the ABMF Report included 'high quality', 'thought through', 'well written'; there was a lot of interest in 'frontier', i.e. new, nascent markets. Their key question was what's next, e.g. is there any direction where a market is heading? From a sophisticated sovereign investor perspective, the major question posed was 'how well does a market function?' - addressing that point would give Phase 2 much additional value. ABMF could define what 'well functioning' could mean, and consider whether to use such approach.

The SF2 Questionnaire may give the impression that focus was on technology matters, but it was recommended to shift the focus towards a business rationale. In addition, ADB Secretariat should be mindful whether subjects are implementable, as mentioned by Mr Akamatsu. It was suggested to focus on identifying factors or elements that created or hindered a 'well functioning' market. This could, e.g., include liquidity parameters.

Some members commented whether due to the broad scope of the SF2 work, ADB Secretariat could provide an index/overview to define work and intentions; it would also be important to attach priorities to the questions, such as what would be more important and what might not be so prevalent. It was acknowledged that some questions were either too broad or narrow; these would be discussed separately and clarified to the extent possible. Members were also encouraged to exercise their own discretion accordingly, since priorities could be different by member institution. ADB Secretariat may, in fact, decide on a priority after the responses, based on the obvious or implied workload. Focus remained on corporate bond and income and redemption flows. Clearer focus should be spent on tangible output, because stakeholders are expecting more now (after the publication of the ABMF Report).

Session 9: (Information session): Database for managing standards and market practice - Presentation by Alexandre Kech, SWIFT

Mr Kech introduced the new SWIFT Standards department in Asia, and its key tool, MyStandard, to be able to capture and define market practices and how differences could be standardised, and also compared against global or other reference markets. Contributors for MyStandard data are SWIFT, SMPG, ISO, as well as financial institutions. It carried no fee, was accessible by all, with the ultimate objective to be a common, central depository for all parties to refer to. English is standard language. For, ABMF, MyStandard could aid as a repository for all the information requested in e.g. part 5 of the SF2 Questionnaire. SWIFT was in discussion with ABMF on the use of SWIFT resources.

The key value for market practice groups was the coverage from creation of draft to final publication. All market practices are captured in the same way, using same templates. It allows readers simple and single view of a market's practices, and all markets in the same fashion. This helps understanding, sharing and obtaining feedback. Once published, any user can comment or ask questions, provide feedback or generally collaborate. An offline editor was available. Once built up, maintenance was easy: traditionally, one needed to review many documents, here one can upload changes, and publish changes, quickly. In addition, there is a comparison feature of market practices against ISO20022.

Session 10: (Information session) : Information on other issues
- Recent progress in LEI discussion by Mr. Taketoshi Mori, The Bank of Tokyo Mitsubishi UFJ Ltd
- Supplementary information on LEI by Ms. Rebecca Turner, Asia Securities Industry & Financial Markets Association (ASIFMA)

Mr Mori updated members on the recent meeting of the Financial Stability Board (FSB) in Basel, including FSB structure, and LEI initiative progress. While LEI continues not to directly bear on the bond market, it may influence financial information requests across the industry going forward. The key concept was to protect the public interest. LEI would consist of 18 characters, with 2 check digits; only juristic persons would need to obtain LEI. Company ownership criteria was set at 25% but the need to identify the ultimate parent company remained an issue. The idea was to create a prototype, then expand and build on that. As for funding of the LEI initiative, views are that regulators should pay for initial cost, being the ultimate beneficiaries of the implementation. Participants were still discussing many aspects of LEI.

Ms Turner added some details on the proposed look and feel of LEI and provided an update on the Asian regional LEI regulatory consultations. GFMA is participating in the discussion and has created a text file of 9000 parties to see whether this would work for its participants (website reference provided). LEI in effect did not contain any descriptive information on the entity. The US deadline for LEI implementation was 30 June 2012; meaning that LEI will be in action by then.

Session 11: Other issues of SF2

- Updates of Phase 1 Report (Mr. Seung Jae Lee, ADB Secretariat)

- Dissemination of the Phase 1 Report (Mr. Matthias Schmidt)

Mr Lee updated members on the proposed update of the ABMF Report (please refer to mention under SF1 proceedings). ABMF member's role here was vitally important; members should provide input and information whenever applicable and relevant. Most crucial was the validation of information to be changed.

Mr Schmidt detailed the dissemination efforts for the ABMF Report, giving information on the targeted market participants, mirror and hosting sites.

Future work plan and Wrap up (Mr. Seung Jae Lee, ADB Secretariat)

Mr Lee thanked members for their strong efforts and added his appreciation for support from observers and ABMI members. He pointed to the first SRO meeting, to be held the next day, and thanked PDS Group for taking the initiative. For the time being, for SRO and ABMF meeting would be held as separate proceedings, until the relationship had been fully discussed and decided upon.

Mr Lee summed up the discussions and progress made over the past 2 days, and the next steps. ADB Secretariat will reflect the comments on the Questionnaires, to the extent possible and practical. It would be great to have a market champion for each market. ADB Secretariat would attempt the final distribution to members as a common template by 25 April. In the run-up to the country visits, specific questions or information request for each market would be provided. Responses to the Questionnaires should be submitted by 30 May; a delay would push back any next steps. Mr Lee asked for the understanding of members for this tight schedule.

For SF1, the focus was on the creation of a regional issuance programme that allows issuer to issue in any participating market with standardised documentation. This was not intended to be limited to a specific issuance scheme but open to several options to be discussed. For SF2, the key Phase 2 activities remained the fit & gap analysis and corporate bond and income and redemption flows. Priorities could be considered, e.g. pulling forward the fit & gap analysis.

The next ABMF Meeting will be in Seoul, hosted by KOFIA, on 4 and 5 September. The focus would be the sharing of key findings from the market visits. These may result in some additional questions to members. An invitation to regulatory authorities will be done in consultation with ABMI TF3 members.

The 2nd reporting to ABMI would be in Oct 2012, with the exact date still to be determined. A next opportunity for ABMF to represent its work would be at SIBOS in Osaka, where SWIFT is kindly considering creating a slot for ABMF. Important would be not only to share the result of the ABMF Report but also the activities of Phase 2.

The 10th ABMF meeting was expected to be held in November, but a location had not yet been finalised; ADB would appreciate any potential host to register their interest.

The 12th ABMF meeting would be crucial to finalise the report, while the proposed 13th ABMF meeting, to be held in either June or July 2013, would be expected to see any feedback from public officials incorporated in the Phase 2 draft output.

Closing remarks by SF2 Chair (Mr. Jong Hyung Lee)

Mr Lee thanked members and observers for their participation and good questions.

Mr Sato, as vice-chair, appealed to members to provide the requested information as was available, e.g. in the form of existing market guides or procedure descriptions, to lessen the burden to members. Cooperation from everybody was highly appreciated.

Both again thanked the Philippine members for the gracious hosting.