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<th>PROGRAM</th>
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<td>25 JUL 2013</td>
<td>DAY 1: Sub-Forum 1 (SF1) and Sub-Forum 2 (SF2)</td>
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<td>08:30 – 09:00</td>
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</table>

**PART 1: SF1 session** (*For ABMF members/CSIF members/Regulators*)

| 09:00 – 09:05 | Opening Remarks by Mr. Shunzo Kayanuma, SF1 Chair |
| 09:05 – 09:50 | Session 1: Progress and Issues in AMBIF discussion (I)  
Progress and Issues (ADB secretariat, Prof. Shigehito Inukai) |

**PART 2: Special Session I** (*For ABMF members/CSIF members/Regulators + guests)  
(Venue: Auditorium, 1st floor of Mita Kaigisho)

| 10:00 – 10:20 | Key Note Speech by Mr. Taro Aso, Deputy Prime Minister, Finance Minister, and Minister of State for Financial Services |
| 10:20 – 10:40 | Speech on Japan Exchange Group’s Contribution to Asia’s Economic Development by Mr. Atsushi Saito, Director and Representative Executive Officer, Group CEO of Japan Exchange Group |
| 10:40 – 11:00 | Speech on The Role of Private-sector Financial Institutions in Realizing Japan’s Growth Strategy by Mr. Yasuhiro Sato, Member of Industrial Competitiveness Council, President and CEO of Mizuho Financial Group |

**PART 3: SF1 session continued** (*For ABMF members/CSIF members/Regulators*)

| 11:00 – 12:30 | Session 2: Progress and Issues in AMBIF discussion (II)  
Supplementary presentation on AMBIF issues  
Review and members discussion on key issues / Q and A |
| 12:30 – 12:40 | Wrap up by ADB Secretariat |
| 12:40 – 12:50 | Closing Remarks by Mr. Shunzo Kayanuma, SF1 Chair |
| 12:50 – 13:50 | **Lunch** (Mita Room, 3rd Floor of the Mita Kaigisho) |

**PART 4: SF2 sessions** (*For ABMF members/CSIF members/Regulators*)

| 14:00 – 14:10 | Opening Remarks by Mr. Jong Hyung Lee, SF2 Chair |
| 14:10 – 15:40 | Session 3: Progress in SF2 report and ideas on next activities  
Presentation by Dr. Taiji Inui, ADB secretariat  
Q and A |
<p>| 15:40 – 15:50 | Wrap up by ADB Secretariat |
| 15:50 – 16:10 | Coffee break |</p>
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<th>PROGRAM</th>
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<td><strong>PART 5: Other issues of SF1 and SF2</strong> (<em>For ABMF members/CSIF members/Regulators</em>)</td>
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<td><strong>Session 4: Other issues of SF1 and SF2</strong></td>
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</table>
| 16:10 – 16:40 | - Work plan after Tokyo meeting (Dr. Seung Jae Lee, ADB secretariat)  
- ABMF 3rd Phase (Ministry of Finance, Japan)  
- Other Issues (TBC) |
| 16:40 – 16:50 | **Closing Remarks** by Mr. Jong Hyung Lee, SF2 Chair |
| **18:30~** | **Dinner** *(Sunflower Hall, on the 2nd floor of Tokyo Prince)* |

**26 JUL 2013**  
DAY 2: Regulators meeting and Special sessions

| **PART 6: Regulators meeting : Progress and Issues of AMBIF** (*For regulators only*) |
| 09:10 – 09:15 | Opening Remarks by ABMI TF3 co-chair (JMOF) |
| 09:15 – 09:30 | Presentation on current status of proposed AMBIF Market/Segment in each jurisdiction (ADB secretariat team) |
| 09:30 – 09:45 | Views from regulators (Japanese FSA) |
| 09:45 – 10:00 | Views from regulators (Thai SEC) |
| 10:00 – 10:15 | Views from regulators (Indonesia FSA) |
| 10:15 – 10:30 | Views from regulators (Malaysia SEC) |
| 10:30 – 11:30 | Discussion in relation to Current Status of proposed AMBIF Market/Segment form regulators and other issues |
| **11:40 – 12:40** | **Lunch** *(Mita Room, 3rd Floor of the Mita Kaigisho)* |

**PART 7: Special Sessions II** (*For ABMF members/CSIF members/Regulators and guests*)

| **12:40 – 12:50** | **Opening Remarks** (TBC) |
| **12:50 – 14:20** | **Public Private Roundtable**  
– Presentation on CGIF in relation with issuers’ needs by Mr. Kiyoshi Nishimura, CEO, CGIF  
– Discussion with institutional investors |
| * Major institutional investors in Japan will participate in the roundtable to show their views on Asian bond markets |
| **14:20 – 14:40** | **Coffee break** |
| **14:40 – 16:10** | **Special session on Bond Markets of Japan**  
– Presentation on Approach to Asian Bond Market -Focusing on TOKYO PRO-BOND Market by Tokyo Stock Exchange  
– Presentation on How have Japanese bond investors reacted to Abenomics by Japan Securities Dealers Association  
– Presentation by Japan Securities Depository Center on Trade / Settlement Matching and Implementation Plan of ISO20022  
– Presentation on Importance of developing institutional investors in the Asian region by Japanese Bankers Association |
| **16:10 – 16:20** | **Closing Remarks** |
Progress and Issues in AMBIF Discussion

Prof. Shigehito Inukai
with Matthias Schmidt
ADB Consultants

13th ABMF Meeting, Tokyo, 25 July 2013
Proposed Agenda

① Acknowledgement of Interim Report by AFMCGM
② Additional Information since Interim Report
③ Addressing Regulatory Concerns or Feedback
④ Detailing AMBIF Components
⑤ Documentation - Creation of Voluntary ADRB
⑥ Update on Information Platform
⑦ Proposed Phase 3 Activities
⑧ Introduction of ADRB (Voluntary working group for making recommendations on AMBIF Documentation)
⑨ Questions & Answers (in Session 2)
Acknowledgement of Interim Report by AFMCGM
AMBIT Focus is shifting

- Basic AMBIT Components agreed in principle
- Necessary detailing in progress
- Additional information as discussed
- Focus on AMBIT Documentation as key component for implementation based on possible demand expectations
- Focus on possible approaches to AMBIT implementation with regulatory authorities
Submitted to ABMI on 25 April 2013
Acknowledged by AFMCGM on 2 May 2013, with expectations for ABMF’s future discussion on the remaining key issues
② Additional Information relevant for AMBIF since Interim Report
## Proposed AMBIF Market(s) or Segment(s) for Consideration

<table>
<thead>
<tr>
<th>Economy</th>
<th>Type of Market</th>
<th>Candidate Market</th>
<th>Professional Market as a result of</th>
<th>Participation of</th>
<th>Market governed by</th>
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<th>Accessible to Foreign Institutional Investors</th>
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<td>NAFMII</td>
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<td>(Regulation)</td>
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<td>QIB Market</td>
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<td>Membership</td>
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Table: AMBIF Investor Types as currently evident in ASEAN+3 Economies and their Legislation; now including Cambodia

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<th>Economy</th>
<th>Investor Term</th>
<th>As stated by</th>
<th>Banks</th>
<th>Broker/Dealers</th>
<th>Insurance Companies</th>
<th>Mutual Funds</th>
<th>Provident Funds</th>
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<th>Central Banks</th>
<th>Closed-ended Funds</th>
<th>Corporate Debt Protection Agency</th>
<th>Derivatives Businesses</th>
<th>Development Funds</th>
<th>Exchange Traded Instruments</th>
<th>Financial Institutions</th>
<th>Finance Companies</th>
<th>Fund Managers</th>
<th>High Net Worth Individuals</th>
<th>Other (to be specified)</th>
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Issuance Cost: Update

Context: Members’ request to quantify potential AMBIF benefits

- Many thanks go to Deutsche Bank, HSBC
- Obtained significant amount of information
- For both international and regional markets
- Some initial observations on next page
- Expected further information from national experts
Issuance Cost: Initial Observations

• Typically: international > domestic markets
• Since domestic market issuance not required to tap typical international services
• Further normalisation needed because:
  • Markets’ practices, cost components differ
  • Cost assumptions are solid but may not be directly comparable to AMBIF features

➢ May need to differentiate between current and AMBIF issuance to determine suitable cost components
Accounting/Reporting Standards

• Considered a challenge in context of AMBIF, based on market visit feedback

• Thought to be addressed via IFRS (International Financial Reporting Standards)

• However, research to date indicates that acceptance is slowing and direct applicability of IFRS may be limited

• Instead, markets and listing places appear willing to accept multiple standards

• Phase 2 Report to reflect this
**Information on Withholding Tax**

PWC has kindly offered to compile the data for ABMF!

<table>
<thead>
<tr>
<th>Economy</th>
<th>Type of Bonds</th>
<th>Withholding Tax on Interest from Fixed Income Securities</th>
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<tbody>
<tr>
<td></td>
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<td>WHT Rate</td>
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<td>PR China</td>
<td>Government</td>
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</table>
Information on Withholding Tax

Envisaged withholding tax (WHT) information for members’ information and consideration:

- Headline (official) tax rates
- Concessionary rates, as may exist
- Details on concessions
③ Addressing Regulatory Concerns or Feedback
Regulatory Concerns or Feedback

- Regulatory mandate to be confirmed
- Suitable regulatory process, taking into consideration market-specific regulatory processes (many/none), multiple regulators
- Understanding of investor types for AMBIF
- Practical issues on regulatory process
- Approach to AMBIF Implementation
- One possible Adoption of AMBIF
Possible AMBIF Regulatory Processes

Using Typical Modalities of Standardizing Regulations
Understanding AMBIF Investors

- Will be addressed in next Chapter (P.23-24)
Practical Considerations

- Please refer to Information Platform (P.29-32)
## One possible Adoption of AMBIF

<table>
<thead>
<tr>
<th>AMBIF Component</th>
<th>Available in given Market</th>
<th>Potential Approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Currency Issuance</td>
<td>✔ Local Currency Issuance</td>
<td>Regulatory Guideline</td>
</tr>
<tr>
<td>Instruments</td>
<td>✔ Straight Bonds, Sukuk</td>
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<td>Issuers</td>
<td>✔ Acceptable Issuers</td>
<td>✔</td>
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<tr>
<td>Documentation</td>
<td>✔ e.g. Market Practice</td>
<td>✔</td>
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</table>

= AMBIF Market

Prerequisites in place?  ~ AMBIF Market?!
One possible Adoption of AMBIF

From previous page

- Key: no (major) changes to existing legislation and/or regulations
- Where no specific regulations exist, licensing and market practice could be referenced
- Potential to bring all AMBIF Components together in a (single) guideline (to be) issued by the relevant authority (or domestic equivalent procedure)
- Related guideline may be issued by authority
④ Detailing AMBIF Components
AMBIF Instruments in Local Currency

- Local currency focus is proposed and we would like to confirm with the members:
  
  - Straight bonds and Sukuk?
  - Intention not to prevent issuance in foreign currencies
    - Being other ASEAN+3 local currencies
    - Being e.g. USD or EUR
AMBIF Investors: Clarification

• Proposed AMBIF Investor type:
  ➢ Investment Advisory Businesses

• Investor type meant to represent member economies varying definitions of professional
  • Asset managers
  • Fund managers
  • Investment advisors
  • Investment managers
  • Mutual Funds / Unit Trusts

➢ Not intended to unify, but to be inclusive
AMBIF Investors - FII

• Interim Report: no intended limitations or restrictions for Foreign Institutional Investors (FII), other than those in place

• FII may be seen as representing potentially significant demand for each domestic AMBIF bond issuance

• FII = investors from other ASEAN+3 markets as well
AMBIF Issuers

• No objection or feedback on AMBIF Issuers so far, but further detailing desired
  • Who may be interested to issue?
  • What may be their considerations?

• Other relevant information

➤ Intention to provide more detailed info by 14th ABMF
5 Documentation – Creation of Voluntary ADRB
Update on AMBIF Documents

• Creation of Voluntary “Asian Common Professional Bond Market Practices and Documentation Recommendation Board” (ADRB or AMBIF-PDRB) by market practitioners

• Types of docs at present

• Basic objectives
### Expression of General Interest between Markets

**- Sample / To be checked with Market Sources**

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Above matrix is just a sample image.
6 Update on proposed Information Platform
(Based on Dr. Hyun’s Idea)
Why Common Information Platform?

• Notice by Regulators:
  - Basic method for implementation of AMBIF
  - Could lead to regulatory burden and possible dispute on legal responsibility

• Individual Information Platform (IIP):
  - Posting relevant information on regulator’s own website (information platform)
  - Only a few countries have information platforms and the roles and functions are very different; these ‘Individual IPs’ may need to be updated and upgraded in order to support implementation of AMBIF

• Common Information Platform (CIP):
  - Can be an efficient alternative to both Notice and IIP as a regional common platform to support implementation of AMBIF for all ASEAN+3 countries
  - Comparative advantages in terms of information management and sharing, implementing SCA, and facilitating communication between/among regulators and AMBIF market participants
Features of Common AMBIF Information Platform

• Common Infrastructure for AMBIF Market:
  ➢ Common infrastructure for AMBIF Market in ASEAN+3 economies

• Information Sharing System for AMBIF Bonds:
  ➢ Collect and widely distribute ASEAN+3 AMBIF Bonds information

• Supportive System for Substituted Compliance Approach:
  ➢ Facilitate communication, regulatory process(es) and mutual understanding among ASEAN+3 regulators

• Management System for AMBIF Market:
  ➢ Act as information repository, manage all relevant data, such as eligibility requirements for market participants
Possible next Steps for Discussion

- Establishment of voluntary AMBIF Information Platform Board or similar group, working together with ADRB as may be required
- Study process flow of bond issuance where capture in IP evident (e.g. Indonesia, Japan, Korea, Malaysia, Thailand)
- Consider regularising process flow and issuance document submission criteria to IP in support of implementation of AMBIF
The Remainder of Phase 2

13th ABMF TOKYO Meeting
25/26 July

Draft Phase 2 Report; AMBIF Conclusions Regulatory Engagement

14th ABMF JEJU Meeting
6/7 Nov

Editing, formatting final Phase 2 Report & Gathering of Information for Phase 1 Updates

Phase 2 Report Publication
Dec 2013
Proposed Phase 3 Activities
Phase 3 - Proposed Activities

- Phase 1 Market Guides Report Updates
- AMBIF Implementation
- Pilot Issue
- BCLMV Knowledge Support (TBC)
Phase 3 – Market Guide Update

- Envisaged for Q1, 2014

- Members are kindly requested to review and provide updates, necessary revisions by end December 2013

- Use of SWIFT request form, process

- Publication target: April 2014, since second anniversary of original report + to be in time for next AFMCGM in May 2014
Phase 3 – AMBIF Implementation

- Key: decision by regulatory bodies or delegated authorities on AMBIF Markets
- Official documentation of agreed AMBIF Components, Substituted Compliance Approach and proposed processes, for use and reference in above decisions
- Implementation by/in individual markets
- ABMF to create awareness in markets
Phase 3 – Proposed Pilot Issue

• Key: AMBIF in place
• Opportunity to work through existing and future issues or challenges with pilot participants
• May induce fine tuning of AMBIF
Phase 3 – BCLMV Knowledge Support

- To be confirmed
- Follow-up to Phase 2 support
- Dependent on markets’ specific requests
- Support creation/update of Cambodia and other Economies’ market guides
Introduction of ADRB
(Voluntary working group for making recommendations on AMBIF Documentation)

By Mr. Suzuki of Barclays and Mr. Yanase of NO&T
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1-6-1 Nishiwaseda, Shinjuku-ku
Tokyo 169-8050

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Mobile +81 80 3360 7551
shige.inukai@me.com

Matthias Schmidt
ADB Consultant

Office  +61 3 95571314
Mobile +61 423 708910
macschmidt@me.com
Questions & Answers (Session 2)
Formation of the Asian Common Professional Bond Market Practices and Documentation Recommendation Board (ADRB or AMBIF-PDRB)

Date of the formation: 19 July 2013

Shuji Yanase & Hiro Suzuki
With representing Founding Members of ADRB

13th ABMF Meeting, Tokyo, 25 July 2013
Objective of ADRB will be:

- To make recommendations, from time to time, arising from Asian professional bond market (AMBIF Market) practices and their relevant documentation practices, to the ABMF meetings and other related gatherings, from the viewpoint of market practitioners and researchers.
Background explanation

- In the context of ABMF (ASEAN +3 Bond Market Forum), for the harmonization of regulations and standardization of market practices and self-regulatory rules relating to cross-border domestic professional bond markets transactions in Asia,
- by the voluntary initiative of independent and front-line capital market experts,
- ADRB will undertake to provide input to ABMF in the form of recommendations about the guidelines for practices of professional bond markets as well as various types of documentation that would be applied to the ASEAN+3 Multi-currency Bond Issuance Framework / Programme in the professional bond markets (AMBIF Markets).
Inaugural members

- The inaugural members will consist mainly of market experts and researchers on the following list. Expansion of members is expected in the future.
- The basic principle to participate will be as a group, but individual participation is not altogether barred.
- Participation is on a voluntary basis but participants are highly expected to proactively share their experience with members and observers.
Founding Members

- **Chairperson:**
  Mr. Shuji Yanase, Lawyer, Nagashima Ohno & Tsunematsu

- **Representative + Secretary-General:**
  Prof. Shigehito Inukai, Waseda Univ.

- **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 Univ.
  Prof. Shigehito Inukai, Waseda Univ. + ADB Consultant
  Mr. Matthias Schmidt, ADB Consultant
  Dr. Hyun Suk, Senior Research Fellow, KCMI

- **Office of ADRB:**
  Waseda Univ., Prof. Inukai’s office
Other Member candidates: (Not final)

- Nomura (TOK)
- Daiwa (TOK)
- SMBC NIKKO / SMBC (TOK)
- Mitsubishi UFJ Morgan Stanley / BTMU (TOK)
- Mizuho / Mizuho Sec (TOK)
- Barclays (TOK)
- JPMorgan Chase (HK/TOK)
- Citi (TOK)
- Deutsche Bank (SG)
- CIMB (MY)
Observer candidates for the time being: (Not final)

- JSDA (JAPAN)
- TSE (JAPAN)
- JASDEC (JAPAN)
- TBMA (THAILAND)
- Corporate Finance & Treasury Association of Japan (JAPAN)
- Deloitte Tohmatsu (JAPAN)
- ASIFMA (HK)
Activities for the time being
- List up necessary documents

Prioritise documents to standardise

- Information memorandum:
  Structure and items to be disclosed for professional investors
  Examples for major disclosure items

- Other documents:
  <examples>
  • Underwriting Agreement
  • Agreement Among Managers,
  • Comfort Letter

Survey needed if special term is required in each jurisdiction such as selling restriction, etc.
13th ABMF SF2:

Phase 2 Report and Possible Work Items of Phase 3 Activities of ABMF SF2 (draft)

25 July 2013 in Tokyo

Taiji Inui
ADB Consultant - Financial Information Technology Specialist
NTT DATA Corporation

ver. 2 of 12 July 2013
Agenda

1. Phase 2 Report of ABMF SF2
   A) Draft contents of Part 1 based on the Interim Report
   B) Preliminary draft of Part 2 (country reports)
   C) Final draft of Part 3 (charts and diagrams)

2. Work Items of Phase 3 Activities
   A) Work on Harmonizing Message Flows
   B) Work on Standardizing Message Items & Numbering
      ➢ Standardization of message items
      ➢ Standardization of securities numbering (ISIN)
   C) Discussion on Harmonization of Market Practices
   D) Study on Cross-border Collateral and Repo Services

3. Other Issues
   A) BCLMV Knowledge Support (TBC)
1. Phase 2 Report of ABMF SF2

Phase 2 report consists of three parts, Part 1, Part 2, and Part 3.

Part 1: Overview of bond markets and infrastructures in ASEAN+3
➢ Update Part 1 of Phase 1 report based on the Interim Report submitted to ABMI TF3 in April 2013 adding Phase 2 activities of ABMF SF2

Part 2: Bond markets and infrastructures of 14 economies in the region.
➢ Adding Phase 2 activities such as corporate bond transactions and interest/redemption flows to Phase 1 report.

Part 3: Bond market diagrams and flows based on the templates of ABMF SF2.
A) Draft contents of Part 1 based on the Interim Report

Table of Contents (high level)
1. Introduction
2. Methodology and Approach of the Survey
3. Findings on Bond Market Infrastructures and Transaction Flows
4. Key Observations and Policy Recommendations
5. Next Phase of ABMF Activities and Roadmap
6. For Future ASEAN+3 Bond Market
7. Conclusion
8. Acknowledgement

Detailed table of contents are distributed separately.
B) Preliminary draft of Part 2 (country reports)

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<th>Check</th>
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C) Final draft of Part 3 (charts and diagrams)

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Work Schedule of Phase 2 Report

Part 1:
➢ Draft table of contents will be submitted to the ABMF SF2 members and experts for comments soon after the 13th meeting.
➢ After receiving comments from members and experts, preliminary draft of Part 1 will be submitted for comments and correction to the members and experts around the end of September 2013. The members and experts will check and return comments and/or corrected draft by the middle of October 2013.
➢ Final draft of Part 1 report will be submitted to members and experts at 14th ABMF for discussion.
➢ After receiving comments from the members and experts, Part 1 will be completed by the end of the year.
Work Schedule of Phase 2 Report

Part 2:
- Preliminary draft Part 2 of each economy will be submitted to the ABMF SF2 members and experts for comments and corrections soon after the 13th meeting.
- Draft of Part 2 will be sent to the members and experts around middle of August after reflecting the comments and corrections.
- Final draft corrected by the members and experts will be completed by 14th ABMF in November.

Part 3:
- Final draft will be submitted to the members and experts soon after the 13th ABMF.
- Final draft confirmed by the members and experts by the end of August.
Work Schedule of Phase 2 Report

Overall

July: Draft report  
Aug.: Final draft  
Sep.: Fix contents  
Oct.: Editorial check

Part 1

Tab. of cont.: Draft Part 1  
Draft Part 1: Final draft  
Fix contents:

Part 2

Draft Part 2: Final draft  
Fix contents:

Part 3

Final draft: Fix contents
Phase 3 Activities (for members’ discussion)

Purpose of harmonization: to enhance cross-border STP in ASEAN+3
2. Work Items of Phase 3 Activities

A) Harmonizing Message Flows

1. Develop a reference model of DVP flow of ASEAN+3 bond settlement by harmonizing message (DVP) flows
   - Bond settlement flows for both government and corporate bonds are expected to be harmonized based on consistent basic conditions

2. Each market infrastructure owner and operator is expected to follow the Model when re-constructing the infrastructure in the future.
2. Work Items of Phase 3 Activities

A) Harmonizing Message Flows

Goal of SF2
Enhance cross-border STP

Ph3 Activity
Develop Model DVP Flow

Harmonization of Message Flows
a. Basic Conditions
b. Key Elements
c. Points to be considered
Draft of reference DVP Flow (a model to start discussions)

Sell side

- Broker
  - Trade Data
    - Matched result
      - 5a. Matched result
      - 15a. Bond Settlement Confirmation
  - Custodian
    - 5b. Matched result
    - 15b. Bond Settlement Confirmation
  - Correspondent Bank
    - 12a. Cash Settlement Confirmation

System infrastructures

- TS/PTMS
  - Trade
  - Post Trade Matching
  - Add SSI
    - 1. Settle. Instruction
      - PSMS
        - 4. Pre-settlement Matching
          - 6. Matched result
            - CSD System
              - 7. Lock seller’s Bond
                - 14. Bond Settlement
                    - 13. Cash Settlement Confirmation
                      - RTGS System
                        - 11. Cash Settlement
                          - 9b. Cash Settlement inst.
                            - 10. Affirmation
                              - 12b. Cash Settlement Confirmation

Buy side

- Broker
  - Trade Data
    - Matched result
      - 5b. Matched result

- Custodian
  - 5b. Matched result
  - 15b. Bond Settlement Confirmation

- Correspondent Bank
  - 9b. Cash Settlement inst.
  - 10. Affirmation
  - 12b. Cash Settlement Confirmation
Bond market infrastructures

PSMS (Pre-Settlement Matching System): Pre-settlement matching is to be conducted automatically utilizing a system infrastructure PSMS. PSMS is a system to confirm the quality of data to be settled on S-1 (one day before the settlement day). Pre-settlement matching functions can be alternatively provided by CSD system (securities settlement system) by entering settlement instruction data on S-1 as a post dated transaction. Matched results need to be sent back to the participant on the day (S-1).

Pre-settlement matching
- Manual
- Automated
  - PSMS
    - Central pre-settlement matching
  - Post-dated transaction of CSD
    - Central matching
    - Local matching

To be discussed here.
Bond market infrastructures

CSD (Central Securities Depository) system: Book-entry system for bond or securities settlement system for bond. Physical certificate is out of scope of our discussion. Bond needs to be dematerialized or immobilized.

RTGS (Real Time Gross Settlement) system: Cash settlement system (to be defined appropriately). Net-settlement system is out of the scope of our discussion.
Bond market infrastructures

TS (Trading System): TS could be a private trading system or a system operated by a public entity like exchanges. TS may provide automated OTC market providing quote driven trade system. Participants of TS are brokers/dealers. TS is out of the scope of ABMF SF2. Trading system and trade repository post-trade matching system are out of the scope of this harmonization.

PTMS (Post-Trade Matching System): PTMS provides matching function after a trade is executed. PTMS could be a part of TS or PSMS (Pre-Settlement Matching System). Participants of PTMS are brokers/dealers. PTMS is out of the scope of ABMF SF2. Post-trade matching system is out of the scope of this harmonization.

CCP (Central Counterparty): CCP is out of the scope of harmonization of DVP flows since it is not common for the majority of cross-border bond transactions traded in OTC markets
Draft of reference DVP Flow (an alternative model)

Sell side

Broker

Custodian

Correspondent Bank

Buy side

Broker

Custodian

Correspondent Bank

System infrastructures

TS/PTMS

Trade

Post Trade Matching

Add SSI

1. Settle. Instruction

CSD System

4. Pre-settlement Matching

6. Matched result

7. Lock seller’s Bond

14. Bond Settlement


13. Cash Settlement Confirmation

RTGS System

11. Cash Settlement

10. Affirmation

9b. Cash Settlement Inst.

12b. Cash Settlement Confirmation

5b. Matched result


5a. Matched result


Matched result

15a. Bond Settlement Confirmation

15b. Bond Settlement Confirmation

9a. Cash Settlement Inst.

12a. Cash Settlement Confirmation

Matched result
Draft of reference DVP Flow (an alternative model)

1. Post trade matched result

Sell side

Broker

Trade Data

Matched result

Custodian


5. Matched result

15a. Bond Settlement Confirmation

Correspondent Bank

9a. Cash Settlement Inst.

12a. Cash Settlement Confirmation

Buy side

Broker

Trade Data

Matched result

1. Post trade matched result

Custodian


15b. Bond Settlement Confirmation

CSD System

6. Matched result

7. Lock seller’s Bond

14. Bond Settlement


13. Cash Settlement Confirmation

RTGS System

11. Cash Settlement

9b. Cash Settlement inst.

10. Affirmation

12b. Cash Settlement Confirmation

Correspondent Bank

1. Post trade matched result

System infrastructures

TS/PTMS

Trade

Post Trade Matching

Trade Data
Basic conditions to harmonize message flows

1. Real time gross settlement is to be used for both bond settlement and cash settlement.
2. DVP (delivery versus payment) is to be secured.
3. Central bank money is to be used for cash settlement.
4. Data are to be transferred from upstream infrastructure to downstream infrastructure where and when possible.
5. Results of processes in infrastructures are to be informed to participants appropriately.
6. Quality of data transferred and processed is to be confirmed when the data are entered by different party.
Draft of reference DVP Flow

2. Forwarding Instruction to sell and buy sides, then affirmed by both sides. Also, enter settle. Instruction when there is no transfer from upstream system

3. Matching method and items

4. Pre-settlement Matching

5. Transferring matched results from PSMS to CSD system

6. Forwarding neither sell side nor buy side

7. Locking bond

8. Transferring cash settlement instruction

9. Forwarding the instruction and, affirmation from buy side

10. Cash Settlement

11. Cash Settlement

12. Cash Settlement Confirmation

13. Bond Settlement

14. Bond Settlement Confirmation

15a. Bond Settlement Confirmation

15b. Bond Settlement Confirmation

Key Elements to be discussed

1. Transferring settlement instruction from upstream system to PSMS


4. Settlement Matching Notice

5a. Matched result

5b. Matched result

6. Matched result

7. Lock seller’s Bond

8. Transferring cash settlement instruction

9a. Cash Settlement Inst.

9b. Cash Settlement inst.

10. Affirmation

11. Cash Settlement Confirmation

12a. Cash Settlement Confirmation

12b. Cash Settlement Confirmation

13a. Cash Settlement Confirmation

14a. Cash Settlement Confirmation

15a. Bond Settlement Confirmation

15b. Bond Settlement Confirmation

Custodian

Custodian

Correspondent Bank

Correspondent Bank

Trade Data

Trade Data

TS/PTMS

Post Trade Matching

Add SSI

CSD System

RTGS System

Broker

Broker

System infrastructures
Possible key elements

1. Transferring settlement instruction from upstream system to PSMS
2. Forwarding Instruction to sell and buy sides, then affirmed by both sides. Also, enter settle. Instruction when there is no transfer from upstream system
3. Matching method and items
4. Settlement Matching Notice
5. Transferring matched results from PSMS to CSD system
6. Forwarding the result neither sell side nor buy side
7. Locking bond
8. Transferring cash settlement instruction
9. Forwarding the instruction and affirmation from buy side.
10. Cash settlement (transfer fund from buy side to sell side)
11. Cash settlement confirmation to sell side and buy side
12. Cash settlement confirmation to CSD system
13. Bond settlement
14. Bond settlement confirmation
Possible Key elements (message flow)

A. Messages between Bond market infrastructures (BMIs) and their participants
   2. Forwarding Instruction to sell and buy sides, then affirmed by both sides. Also, enter settle.
   4. Settlement Matching Notice
   6. Forwarding the result neither sell side nor buy side
   8. Transferring cash settlement instruction
   9. Forwarding the instruction and affirmation from buy side.
   11. Cash settlement confirmation to sell side and buy side
   14. Bond settlement confirmation

B. Messages between BMIs
   1. Transferring settlement instruction from upstream system to PSMS
   5. Transferring matched results from PSMS to CSD system
   12. Cash settlement confirmation to CSD system

C. Processes in BMIs
   3. Matching method and items
   7. Locking bond
   10. Cash settlement (transfer fund from buy side to sell side)
   13. Bond settlement
Points to be considered of each key element

1. Transferring settlement instruction from upstream system to PSMS
   ① Direct online linkage between upstream system and PSMS is desired where possible. Whereas, if a broker automates its system and has direct connection with custodians, custodian can enter settlement instructions to PSMS adding necessary information to trade data sent from the broker.

2. Forwarding Instruction to sell and buy sides, then affirmed by both sides. Also, enter settle. Instruction when there is no transfer from upstream system
   ① Settlement instruction data transferred from upstream infrastructure to the PSMS need to be forwarded to sell side or buy side since the party (broker) which entered the data to PSMS is different for the party (custodian) which is supposed to receive the forwarded data. Message items for settlement instructions need to be standardized.
   ② Maximum limit of time to return affirmation to CSD may better be agreed as a market practice. How to return the affirmation including message items need to be harmonized. The practices when data are not correct may also need to be harmonized.
Points to be considered of each key element

3. Matching method and items
   ① Pre-settlement matching for cross-border transactions need to be completed by S-1.
   ② Message items to be pre-matched need to be discussed. Integrity of data matched needs to be guaranteed. Also, adoption of tolerance matching needs to be discussed and harmonized.
   ③ Status control such as matched, unmatched, and mismatched needs to be harmonized.
   ④ Both central matching and local matching for PSMS need to be accepted.
   ⑤ Using post dated transaction of CSD system instead of developing PSMS may need to be discussed.

4. Settlement Matching Notice to sell side and buy side
   ① Message items for settlement matching notice need to be standardized.
Points to be considered of each key element

5. Transferring matched results from PSMS to CSD system
   ① Message items of matched results may need to be standardized when
   PSMS and CSD are operated in different platform.
   ② Processes such as queuing function and partial settlement when balance of
   bond in sell side account is insufficient need to be harmonized.

6. Forwarding the result neither sell side nor buy side
   ① Since the participants of PSMS and CSD are same custodians, it may not be
   necessary to forward matched results transferred from PSMS to either sell
   side or buy side.

7. Locking bond
   ① Ideal way of DVP settlement is that bond and fund are settled
   simultaneously. But, when CSD system and RTGS system are operated in
   different platforms, it is not realistic to settle securities leg and cash leg
   simultaneously from technological perspective. Therefore, firstly, traded
   bond needs to be locked (earmarked) by debiting from seller’s account and
   securing in a neutral account, then transfer fund from buyer’s account to
   seller’s account.
   ② When locking bond of sell side, legal status such as who owns the bond as
   well as how it is processed such as blocking and earmarking may need to be
   discussed and harmonized.
Points to be considered of each key element

8. Transferring cash settlement instruction
   ① Message items of cash settlement transactions from CSD to RTGS need to be standardized. Message items for the settlement instruction need to be standardized.

9. Forwarding the instruction and affirmation from buy side.
   ① Cash settlement instruction transferred from CSD to RTGS need to be forwarded to buy side of participant for affirmation. How to send back affirmation including maximum time limit of affirmation (market practice) needs to be harmonized. Queuing when balance of cash account of buy side is insufficient needs to be provided. Message items for settlement instructions need to be standardized.

10. Cash settlement (transfer fund from buy side to sell side)
    ① Settlement processes when balance is insufficient need to be harmonized.
Points to be considered of each key element

11. Cash settlement confirmation to sell side and buy side
   ① Whether the cash settlement confirmation is necessary or not need to be decided.
   ② Message items for settlement instructions need to be standardized. Latest cash balance need to be included to the message items.

12. Cash settlement confirmation to CSD system
   ① Message items for settlement instructions need to be standardized.

13. Bond settlement
   ① After completing cash settlement, locked bond is to be credited to buy side account. DVP settlement is to become final.

14. Bond settlement confirmation
   ① Completing notice of DVP settlement will be sent to sell side and buy side. Message items for settlement confirmation need to be standardized.
2. Possible Work Items of Phase 3 Activities

B) Work on Standardizing Message Items & Securities Numbering

In order to enhance cross-border interoperability of bond market infrastructures, messages related to the infrastructures including numbering are expected to be compliant with international standard. More specifically, relevant messages in the Model DVP flow will be chosen to be standardized. Also, International Securities Identification Number (ISIN) will be promoted to reduce fails because of wrong securities numbering.

B-1) Standardizing Message Items in order for ISO 20022 migration
B-2) Utilizing ISIN as Unique Numbering and Establishing Common Rules on ISIN for Cross-border STP
B-1) Standardizing Message Items in order for ISO 20022 migration

Each bond market infrastructure is expected to migrate to International standards taking opportunity of reconstructing the systems. In such a case, ISO 20022 may be adopted as a message standard. Essential messages consisting Model DVP flow will be identified. Then, message items composing the messages will be standardized. This standardization of message items will be a good reference for planning ISO 20022 migration. Fit & gap analysis conducted during phase 2 will be fully utilized.
B-1) Work on Standardizing Message Items

A) Settlement instruction messages need to be standardized including message items and communication protocols.

- Settlement instructions both from upstream infrastructures such as post-trade matching system and trading system as well as the instructions from participants (buy side and sell side) will be discussed.

B) The message informing matching results both from PSMS or CSD to participants (sell side and buy side) as well as from PSMS to CSD (if PSMS and CSD are different entities) needs to be standardized.
B-1) Work on Standardizing Message Items

C) Cash settlement instructions both from CSD to RTGS and from buy side to RTGS need to be standardized including message items.

D) Cash settlement confirmation both from RTGS to participants (sell side and buy side) as well as from RTGS to CSD will be standardized.

E) Bond settlement confirmation message will be standardized.
Message types to be discussed

<table>
<thead>
<tr>
<th>Message</th>
<th>ISO15022</th>
<th>ISO20022</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Settlement Instruction</td>
<td>(MT541, MT543)</td>
<td>(sese.023)</td>
</tr>
<tr>
<td>3. (Affirmation) Settlement Instruction</td>
<td>MT541, MT543</td>
<td>sese.023</td>
</tr>
<tr>
<td>5. Matched result</td>
<td>MT548</td>
<td>sese.024</td>
</tr>
<tr>
<td>6. Matched result</td>
<td>(MT548)</td>
<td>(sese.024)</td>
</tr>
<tr>
<td>8. Cash Settlement Instruction</td>
<td>(MT202)</td>
<td>(pacs.009)</td>
</tr>
<tr>
<td>10. Affirmation of Cash Settlement Instruction</td>
<td>MT202</td>
<td>pacs.009</td>
</tr>
<tr>
<td>12. Cash Settlement Confirmation</td>
<td>MT900</td>
<td>camt.054</td>
</tr>
<tr>
<td>13. Cash Settlement Confirmation</td>
<td>(MT910)</td>
<td>(camt.054)</td>
</tr>
<tr>
<td>15. Bond Settlement Confirmation</td>
<td>MT545, MT547</td>
<td>sese.025</td>
</tr>
</tbody>
</table>

Note: possible message types between bond market infrastructures are shown in parentheses.
B-2) Utilizing ISIN as Unique Numbering and Establishing Common Rules on ISIN for Cross-border STP

Key observations of the Interim Report

➢ ISIN is not widely used as a standard in the economies yet.
➢ There remain differences in numbering convention and the period of disseminating the ISIN in the economies. For example, it takes a number of days in some economies.
➢ There are two different ISINs for single domestic securities number in an economy.

Discussions with ANNA and NNAs
<table>
<thead>
<tr>
<th>Country</th>
<th>Securities numbering</th>
<th>Allocation and availability of ISIN</th>
<th>National Numbering Agency (NNA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CN</td>
<td>Proprietary</td>
<td>(to be confirmed)</td>
<td>China Securities Regulatory Commission</td>
</tr>
<tr>
<td>HK</td>
<td>Partly use ISIN. Mostly proprietary. ISIN and proprietary numbering do not always uniquely match.</td>
<td>(to be confirmed)</td>
<td>Hong Kong Exchanges and Clearing Ltd.</td>
</tr>
<tr>
<td>ID</td>
<td>Partly use ISIN. Mostly proprietary</td>
<td>(to be confirmed)</td>
<td>Indonesian Central Securities Depository (KSEI)</td>
</tr>
<tr>
<td>JP</td>
<td>Currently partly use ISIN. ISIN will be unique securities numbering after 2016</td>
<td>Yes</td>
<td>Tokyo Stock Exchange</td>
</tr>
<tr>
<td>KR</td>
<td>Partly use ISIN. Mostly proprietary</td>
<td>(to be confirmed)</td>
<td>Korea Exchange</td>
</tr>
<tr>
<td>MY</td>
<td>Proprietary</td>
<td>(to be confirmed)</td>
<td>Bursa Malaysia</td>
</tr>
<tr>
<td>PH</td>
<td>Proprietary</td>
<td>(to be confirmed)</td>
<td>Philippine Stock Exchange, Inc.</td>
</tr>
<tr>
<td>SG</td>
<td>ISIN and proprietary numbering do not always uniquely match.</td>
<td>(to be confirmed)</td>
<td>Singapore Exchange Limited</td>
</tr>
<tr>
<td>TH</td>
<td>ISIN</td>
<td>(to be confirmed)</td>
<td>Thailand Securities Depository</td>
</tr>
<tr>
<td>VN</td>
<td>Proprietary</td>
<td>No</td>
<td>Vietnam Securities Depository</td>
</tr>
</tbody>
</table>

Note: National Numbering Agency (NNA) should allocate ISIN within 24 hours following the request and making the ISIN available to users at the same time in each economy. Proprietary securities number is generally allocated by each CSD.
C) Discussion on Harmonization of Market Practices

Harmonization of market practices is an important issue to promote cross-border STP in ASEAN+3. Two candidates were proposed by International Experts as follows:

1. Settlement cycles in line with FX spot dates
2. Time period between record date and payment date

Note: Cooperation with SROs and other related organizations would be explored. Also, best practices proposed by organizations such as ISITC and SMPG may need to be referred and utilized.
D) Study on Cross-border Collateral and Repo Services

Since cross-border collateral and repo are the typical and important services from cross-border STP perspective. Cross-border collateral and repo services currently available in the market and possible future services directly linking bond market infrastructures will be studied.

① Study the current market practices, related legal and regulatory aspects, and infrastructures, with an aim to identifying best practices and providing policy recommendations.

② Cross-border collateral and repo services linking CSD and RTGS systems.
D) Study on Cross-border Collateral and Repo Services

① Study current services
Survey main services provided by private sector and try to find barriers for the services.

➢ Information sessions during phase 2
  • Cross Border Collateral Management Working with Market Infrastructures to Enhance Global Liquidity. Presentation by Mr. Masayuki Tagai, J.P. Morgan
  • Collateral Management, Presentation by Mr. Pierre Mengal, Citi Bank
D) Study on Cross-border Collateral and Repo Services

② Cross-border collateral and repo services linking CSD and RTGS systems.
   - Survey on possible services of cross-border collateral and repo linking FMIs.
   - Interest payment flows related to cross-border collateral and repo services linking CSD and RTGS systems will also be studied. Differences of roles and functions of PA will also studied.
Roadmap of phase 3

2013

Harmonize Message flows
Draft a reference model
Discuss reference model
Propose reference model

Standardize message items
Propose messages to be standardized
Discuss message items
Standardize message items

Common rule on ISIN
Start discussion with ANNA
Keep discussion with ANNA
Discuss how to disseminate ANNA rule
Develop roadmap

Harmonize market practices
Survey of proposed market practices
Harmonizing the market practices
Fix the market practices
Discuss other possibilities
Fix the practices

Study cross-border collateral and repo
Survey current services
Identify barriers
Discuss the barriers from cross-border STP perspective
Propose policy recommendations

Cross-border collateral and repo linking EMIs
Survey possible services
Discuss possible flows including interest payment flow
Propose possible flows including interest payment flow
Make feasibility study of propose models
Propose policy recommendation

2014

2015

Propose basic requirements of G/W
Items to be tackled by the 14th ABMF SF2 and by the end of this year

• 14th ABMF SF2 (6-7 November 2013)
  – Complete draft phase 2 report
  – Development of Reference DVP flow: prepare draft to agree on basics of the discussion (basic conditions, DVP model flow and key elements)
  – Adoption of ISO20022: prepare draft to agree messages to discuss standardization of message items
  – Adoption of ISIN: Survey on ISIN adoption in each economy. Start communication with ANNA
  – Prepare draft on how to discuss on “Settlement cycles in line with FX spot dates”, “Time period between record date and payment date”, and others if any.
  – Plan area and topics for survey on cross-border collateral and repo services.

• End of the year
  – Complete phase 2 report
  – Fix plan how to start phase 3 activities
Harmonization and standardization of bond settlement infrastructures in ASEAN+3

Combination of proprietary flows with proprietary practices

\[ _{14}C_2 = 91 \]

A Reference Flow compliant with ISO 20022
Could you check and comment on the followings, please?

1. Draft of reference DVP flow
2. Possible key elements
3. Points to be considered
4. Message types to be discussed
5. Allocation and availability of ISIN
6. Settlement cycles in line with FX spot dates
7. Time period between record date and payment date
8. Current cross-border collateral and repo services
9. Cross-border collateral and repo services linking CSD and RTGS systems
10. Any other issues related to ABMF-SF2

Could you send back your comments by 10 August 2013, please?
3. BCLMV Knowledge Support (TBC)

- Expected follow-up to Phase 2 support
- Dependent on markets’ specific requests
- Support creation/update of Cambodia and other Economies’ market guides
Preaching to Buddha
Payment systems

1.10. A payment system is a set of instruments, procedures, and rules for the transfer of funds between or among participants; the system includes the participants and the entity operating the arrangement. Payment systems are typically based on an agreement between or among participants and the operator of the arrangement, and the transfer of funds is effected using an agreed-upon operational infrastructure. A payment system is generally categorised as either a retail payment system or a large-value payment system (LVPS). A retail payment system is a funds transfer system that typically handles a large volume of relatively low-value payments in such forms as cheques, credit transfers, direct debits, and card payment transactions. Retail payment systems may be operated either by the private sector or the public sector, using a multilateral deferred net settlement (DNS) or a real-time gross settlement (RTGS) mechanism. An LVPS is a funds transfer system that typically handles large-value and high-priority payments. In contrast to retail systems, many LVPSs are operated by central banks, using an RTGS or equivalent mechanism.

Source: PFMI
Central securities depositories

1.11. A central securities depository provides securities accounts, central safekeeping services, and asset services, which may include the administration of corporate actions and redemptions, and plays an important role in helping to ensure the integrity of securities issues (that is, ensure that securities are not accidentally or fraudulently created or destroyed or their details changed). A CSD can hold securities either in physical form (but immobilised) or in dematerialised form (that is, they exist only as electronic records). The precise activities of a CSD vary based on jurisdiction and market practices. For example, the activities of a CSD may vary depending on whether it operates in a jurisdiction with a direct or indirect holding arrangement or a combination of both. A CSD may maintain the definitive record of legal ownership for a security; in some cases, however, a separate securities registrar will serve this notary function. In many countries, a CSD also operates a securities settlement system (as defined in paragraph 1.12), but unless otherwise specified, this report adopts a narrower definition of CSD that does not include securities settlement functions.

Source: PFMI
Securities settlement systems

1.12. A securities settlement system enables securities to be transferred and settled by book entry according to a set of predetermined multilateral rules. Such systems allow transfers of securities either free of payment or against payment. When transfer is against payment, many systems provide delivery versus payment (DvP), where delivery of the security occurs if and only if payment occurs. An SSS may be organised to provide additional securities clearing and settlement functions, such as the confirmation of trade and settlement instructions. The definition of an SSS in this report is narrower than the one used in the RSSS, which defined an SSS broadly to include the full set of institutional arrangements for confirmation, clearance, and settlement of securities trades and safekeeping of securities across a securities market. For example, the RSSS definition for SSSs included CSDs and CCPs, as well as commercial bank functions involving securities transfers. In this report, CSDs and CCPs are treated as separate types of FMIs. As noted above, in many countries, CSDs also operate an SSS.

Source: PFMI
Thank you so much

This PowerPoint slides are made solely for the discussions of ABMF SF2 phase 2 activities. Views expressed are those of the presenter and do not necessarily reflect those of the Asian Development Bank, NTT DATA CORPORATION or any other organizations.

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Work Plan and Other Issues

ADB Secretariat Team
Seung Jae LEE, Advisor (OREI), ADB

13th ABMF Meeting
Tokyo, Japan, 25-26 Jul 2013

* Contents of the presentation could be changed subject to the members’ discussion during the meeting
Outline

1. Knowledge support for BCLMV
2. Work plan after Tokyo meeting
Knowledge support for BCLMV

- **Approach**: Phased supports based on actual demands
  
  - **Phase 1**: Kick-off seminar to address fundamental issues and challenges in developing bond market (5-6 Dec 2012)
  
  - **Phase 2**: Market visits on demand basis (Q2 2013~)
    - Provide tailor-made knowledge support considering specific demands from each economy
    - Collect market information both on SF1 and SF2
  
  - **Phase 3**: Follow up support for market development (Optional, 2014~)
Knowledge support for BCLMV

- Phase 2 support for Cambodia: 29-31 May 2013
  - ABMF market study (29-30 May 2013)
    ✓ MOF, NBC, SEC, CSX, securities companies and law firm
    ✓ Key findings and Information gathered will be presented as Cambodia market guide
  - Knowledge support (30-31 May 2013)
    ✓ MOF: Auction system and gov. bond issuance process
    ✓ NBC: Auction process, central bank bill issuance and money market management, bond transaction flows
    ✓ SEC: legal and regulatory framework for corporate bonds

* ABMF secretariat team + JASDEC, JP Morgan Chase, and CIMB
Knowledge support for BCLMV

- **Phase 2 support for Lao PDR and Myanmar**
  - **Lao PDR : 5-7 Aug 2013**
    - **✓** Market visit to update Lao market guide
    - **✓** Knowledge support on i) regulatory framework on GB, ii) assessment of capital market structure, iii) auction system, iv) interbank money markets, and v) bond transaction flows
    - **✓** In connection with high-level seminar on GB organized by Lao MOF and NRI(TACT) on 6 Aug 2013

- **Myanmar**
  - **✓** Dates and topics are under consultation
  - **✓** Possibly in early Sep 2013

* Welcome ABMF members’ participation
Work Plan after Tokyo Meeting

- 13th ABMF meeting (25-26 July, Tokyo, Japan)
- Off-meeting activities during Aug – Oct 2013
  - Prepare draft full Phase 2 reports (ABMF Sec)
  - Study on Phase 3 activities (ABMF Sec)
  - Info gathering to update Phase 1 reports (Members/SWIFT)
- 14th ABMF meeting (6-7 Nov 2013, Jeju, Korea)
  - Finalize full Phase 2 reports
  - Agree on Phase 3 activities 2
    - SRO meeting, CSIF meeting, and Regulators meeting (TBC)
- By the end of 2013
  - Publish full Phase 2 reports
  - Submission of updates on Phase 1 reports (Members / SWIFT)
Work Plan after Tokyo Meeting

- 2014
  - Start Phase 3 ABMF activities
    - ABMF meetings: quarterly or at other frequency?
    - Review of ABMF structure / membership, if needed
  - Support for regulators’ discussion on AMBIF
    - Target to implement AMBIF in 2014
    - Explore pilot issuance under AMBIF
  - Update Phase 1 reports: Target to finalize by Q1 2014
  - Knowledge support for BCLMV (TBC)
Thank You

http://asean3abmf.adb.org
http://asianbondsonline.adb.org

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