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Securities Market Practice Group Global Meeting APAC Activity Update

**Bank of Tokyo-Mitsubishi UFJ
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MUFG

Agenda

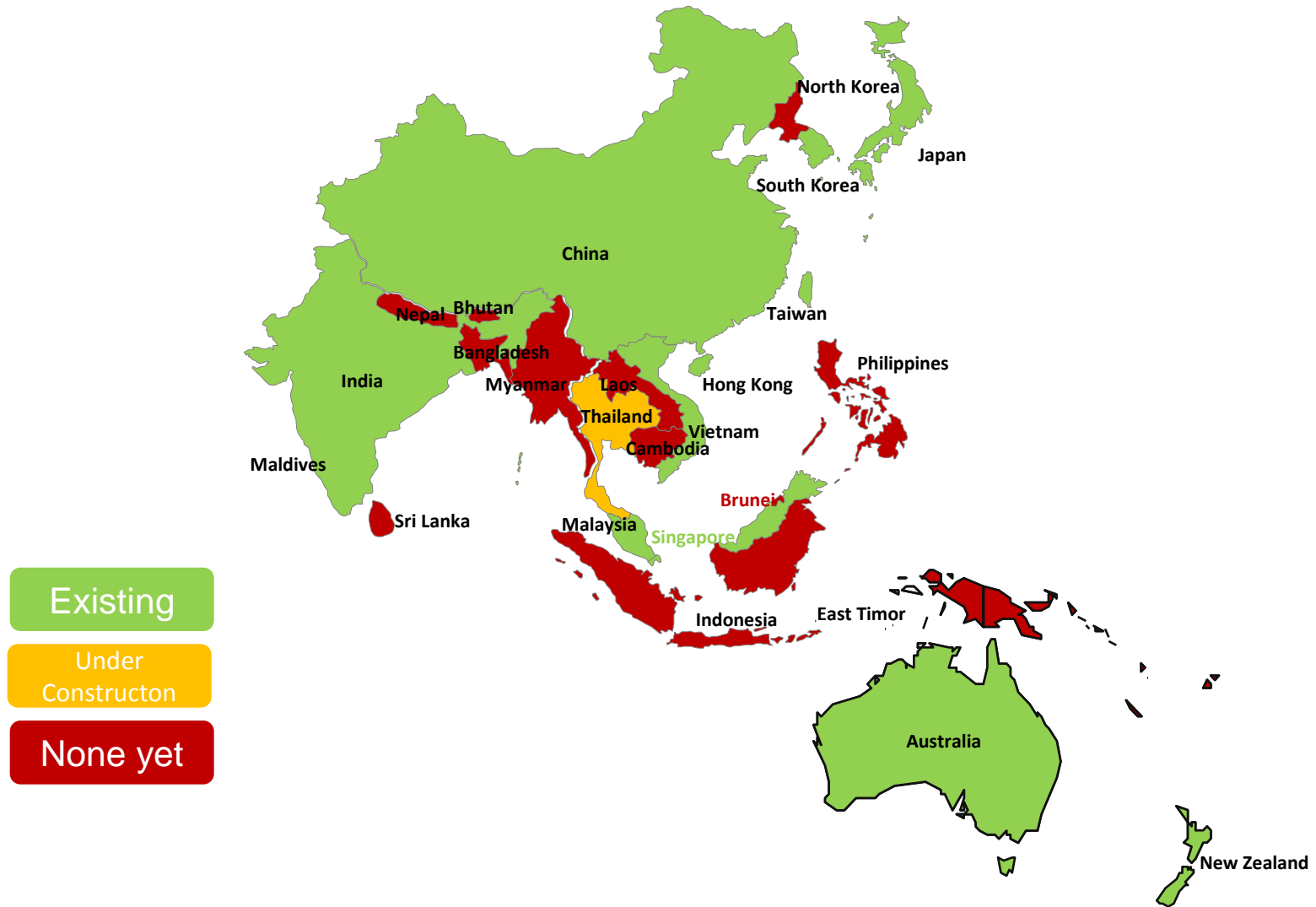
1. Asia Pacific Regional Market Practice Group (APAC RMPG)
2. Updates APAC RMPG
3. APAC RMPG Activity 2015

1.APAC RMPG



- Establishment
 - June 2012
- Purpose
 - increase the engagement of the APAC community in global and regional market practice and standards discussion
 - support the creation of National Market Practice Groups (NMPG) in as many APAC countries as possible and provide assistance to the existing ones.
- Organisation
 - Light structure facilitated by SWIFT Standards Singapore (no chair)
 - One physical meeting / year, conference calls
 - Exchange of information and network building in all APAC countries
- Physical Meetings to date
 - 2012 SWIFT Office, Singapore
 - 2013 SWIFT Office, Malaysia
 - 2014 SWIFT Office, Hong Kong
 - 2015 ?

1.Existing NMPGs in APAC



2. Updates on APAC RMPG



- Overall NMPG Status in APAC

Country	Latest Update (November 2014)	Next Steps (As basis for 2015)
Australia	<ol style="list-style-type: none"> 1. ASX's implementation of CA in ISO 20022 has gone live this year. 2. CSD is participating in the NMPG. 	Publish MP on MyStandards.
Brunei	<ol style="list-style-type: none"> 1. No CSD in country yet. 2. Tentative plans in the works to establish CSD next year for bonds settlement under ISO 20022 standards. 3. One of the countries in SEA on SWIFT Standards agenda to establish local NMPG. SWIFT Standards has database contacts in country as reference. 	As part of the Brunei CSD implementation, MP will have to be put in place. This will be proposed when the NMPG is launched.
China	<ol style="list-style-type: none"> 1. NMPG held its yearly meeting on 21st Nov in Xia Men. 2. Topics include changes to be implemented for SR2015 for Securities and CA events in China. 3. Has not gotten CSD's participation in the NMPG yet. 	Work on MP document publication.
Hong Kong	<ol style="list-style-type: none"> 1. Community was previously fragmented with many clubs and working groups running independently. HK NMPG met in August 2013 where meaningful industry groups (HK sub custodian group, the Offshore-CNY WG, broker community, ABMF HK members, APAC RMPG HK representatives, CMU and the HK Exchange) participated. 2. Market participants are focused on the Shanghai-HK Stock Connect Program which has recently gone live. 3. CSD (CMU = Central Money Markets Unit) is participating to the NMPG. 	To work on Corporate Action EIG matrix.
India	<ol style="list-style-type: none"> 1. NMPG in place with mostly custodian participation. 2. Has not gotten CSD's participation in the NMPG yet. 3. Continued work on the Corporate Action EIG event types. 4. Ongoing discussion with the regulator on STP framework. 	Publish Corporate Action EIG matrix.
Indonesia	<ol style="list-style-type: none"> 1. Ongoing discussion with KSEI on the benefits of setting up an NMPG. Kickoff meeting targeted in 2015. 2. KSEI is interested to participate in the NMPG. 3. Interest in establishing a Funds Hub based on ISO 20022 in the market. 	Establish NMPG with SMPG APAC Regional Director and SWIFT Standards in support.

Country	Latest Update (November 2014)	Next Steps (As basis for 2015)
Japan	<ol style="list-style-type: none"> 1.NMPG also known as ISITC-Japan. 2 active WGs - S&R (WG A), CA (WG C). 2.ISITC-Japan WG A and WG C meets regularly discussing about SMPG issues and Change Requests / country vote for CAT 5 messages. 3. JASDEC and TSE participate in the NMPG meetings actively and discuss Japanese MP together. BOJ is also a member of ISITC Japan. 	Same as 2014, regular meetings / review activities planned for 2015.
Korea	<ol style="list-style-type: none"> 1. Regularly having 2 meetings per year since 2012. 2 WGs – S&R, CA. 2. Lending & Borrowing MP document updated and waiting for the final approval by the members in mid-November. 3. CA WG is discussing cash dividend, bonus issue, capita reduction and rights distribution events. <p>Ongoing discussions in the market on Corporate Action services.</p> <ol style="list-style-type: none"> 4. CSD (KSD) is participating to the NMPG. 	Add cash dividend, bonus, capital reduction and rights distribution events in EIG matrix.
Philippines	<ol style="list-style-type: none"> 1. A workshop is planned for 2015 for SWIFT to meet up the regulator to talk about ISO 20022. 2. Will use the workshop as an opportunity to discuss about the benefits of setting up an NMPG. 3. PDTC has previously shown interest to participate in the NMPG. 	Establish NMPG with SMPG APAC Regional Director and SWIFT Standards in support.
Malaysia	<ol style="list-style-type: none"> 1. NMPG is active. Last NMPG meeting held in September. 2. Central Bank (MyClear) is participating to the NMPG but CSD (Bursa) is not active. 	<p>Seek participation of Bursa to join the NMPG.</p> <p>Use NMPG as a platform for the discussion on Rentas (implementation of ISO 15022 for Fixed Income).</p>
Singapore	<ol style="list-style-type: none"> 1. Currently active locally and in international forum. 2. Working on publishing the SG CA MP. 3. SGX and market participants are working on SGX Phase 1 implementation due 2015. 4. Ongoing discussions on Phase 2 of the SGX project which includes Corporate Action and Collateral Management. 5. CSD (CDP) is actively participating in the NMPG. 	Publish CA MP in MyStandards.
Taiwan	<ol style="list-style-type: none"> 1. Continued discussions with the custodian banks on the TW rights issues event. 2. Has not gotten CSD's participation in the NMPG yet. 	Work on MP document publication.
Thailand	<ol style="list-style-type: none"> 1. Meeting with the Custodian Club Chair in end November. The discussion included setting up of an NMPG 2. TSD is interested to participate in the NMPG. 	Establish NMPG with SMPG APAC Regional Director and SWIFT Standards in support.
Vietnam	<ol style="list-style-type: none"> 1. NMPG established in March 2014. 2. The Terms of Reference has been finalized and published on the SMPG website. 3. 3 WGs have been set up – S&R, CA and Market Access. 4. Phase 1 of VSD's implementation of ISO standards rescheduled to 2015. Phase 2 is still in discussion. 5. CSD (VSD) is actively participating in the NMPG. 	Work on MP document publication.

3.APAC RMPG Activity 2015



What is next? APAC RMPG's objectives for 2015:

- Promote increased involvement in global SMPG (Fall Meeting in SG in Oct) and Standards discussions
- Support of existing NMPGs and creation of new ones? Target - TH, ID and PH.
Invite reps from new NMPGs eg VN, MY, SG. Advance notice to local regulators. RMPG members to aid to drive the message across on the implementation of NMPGs in their representative market. Make use of present club, international brokers and dealers.
- Retain current group structure and arrangement. Continued collaboration with ASIFMA, work closely.
- Sharing of info/experience on the ISO 20022 implementation journey eg challenges, pain points, with some explanation on technical details (similar to JASDEC, SGX, ASX).
- Potential a CSD forum (eg tie in with like ABFM meeting and Asia Pacific CSD Group)
- CSD participation is important to APAC RMPG
- APAC RMPG Meeting will be held in October 2015 just before SMPG meeting in Singapore.

Questions & Answers

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