

MEDIA RELEASE

20 March 2023

ASEAN Capital Markets Forum reinforces its role in promoting transition in the region

The ACMF convened its 38th ACMF Chairs' Meeting today hosted by the Indonesia Financial Services Authority (Otoritas Jasa Keuangan / OJK). The meeting is in a hybrid format with the in-person meeting being held in Yogyakarta, Indonesia.

ACMF looks forward to the ASEAN Taxonomy Board's¹ release of the ASEAN Taxonomy for Sustainable Finance Version 2 by the end of March 2023. ACMF expressed its gratitude for the work of the ASEAN Taxonomy Board and will continue to support further development of the ASEAN Taxonomy as it completes the technical screening criteria of the Taxonomy's focus sectors in phases.

The Meeting agreed on the way forward in promoting transition towards the Paris Agreement Goals in the region by developing broad principles-based transition guidelines, taking into account best practices from the most suitable existing relevant guidance. The guidelines are aimed at assisting companies in developing, communicating and maintaining the transparency of their transition plan and efforts.

Acknowledging the role of the carbon market in accelerating the net zero transition, ACMF initiated Voluntary Carbon Market (VCM) Study Phase 1 last year and the Meeting today agreed to commence VCM Study Phase 2 to explore the way forward on VCM, focusing on the disclosure and transition-related aspects. The work on transition disclosure guidelines and VCM will be completed under the joint sustainable finance initiatives between ACMF and the Working Committee on Capital Market Development (WC-CMD).

In promoting corporate sustainability disclosure and building awareness of the upcoming International Sustainability Standards Board (ISSB) standards, ACMF agreed to strengthen the collaboration with ISSB by having regular engagement sessions and joint events/conferences, prioritising capacity-building programs, and exploring the potential for future ACMF-ISSB cooperation to promote consistent and comparable sustainability disclosures across ASEAN. As part of the regular engagement sessions, the ISSB provided an update to the Meeting on the ISSB's standards development and capacity building plans.

The Meeting endorsed the Sustainable Finance Knowledge Hub which is being developed to serve as a 'one-stop' centre to raise awareness and educate participants on sustainable finance-related issues. Upon its launch which is targeted for the end of March 2023, the Knowledge Hub will be accessible on the main page of the ACMF website.

¹ ACMF is one of the four ASEAN sectoral bodies that make up the ATB.

The Meeting approved the approach to developing the ASEAN Green Lane to facilitate cross-border offering of ASEAN sustainable and responsible funds under the existing ASEAN CIS Framework with the timeline for endorsement expected to be in September 2023.

Under the ASEAN Green, Social, and Sustainability Bond Standards introduced in 2017 and 2018, as of 15 March 2023, US\$38.06 billion ASEAN-labelled green, social, or sustainable bond/sukuk have been issued.

In enhancing the quality of corporate governance practice among ASEAN publicly listed companies, the Meeting approved the proposed plan to revise the ASEAN Corporate Governance Scorecard (ACGS), which incorporates, among others, sustainability-related governance to align with the expected updates to the G20/OECD Principles of Corporate Governance. The revised ACGS is expected to be approved in September 2023.

Acknowledging the importance of digital asset supervision, the Meeting continues the work of the oversight network by exchanging experiences and recent updates on policies and regulatory frameworks for digital assets. Recent updates from Brunei Darussalam, Indonesia, Malaysia, Philippines, Singapore, and Thailand were shared at the Meeting.

The Meeting took note of the amplified capacity-building work plan under the ACMF Market Development Program which will include a secondment program and training program among members and collaboration with external parties.

ACMF expressed its gratitude to the Asian Development Bank (ADB) for its support in providing ACMF with technical assistance as well as expert guidance to foster capital market development throughout the ASEAN region.

ACMF also thanked the Sustainable Finance Institute Asia (SFIA) and the Industry Advisory Panel Working Groups under the Joint Sustainable Finance Working Group (JSFWG) for their continuous support and efforts in developing ASEAN's sustainable capital market.

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Note-to-Editors

About the ACMF

- The ACMF is a high-level grouping of capital market regulators from all 10 ASEAN jurisdictions, namely Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Viet Nam.
- The ACMF is currently chaired by the Indonesia Financial Services Authority (Otoritas Jasa Keuangan / OJK). The next ACMF Chair will be the Lao Securities Commission Office (LSCO).

- More information on the ACMF and its initiatives can be found on the ACMF website at www.theacmf.org.

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