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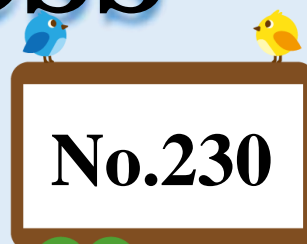
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 Financial Services Agency

Minister of State for Financial Services Suzuki's Address at the National Securities Industry Convention 2022

On September 26, Minister of State for Financial Services Suzuki delivered the following address at the National Securities Industry Convention 2022 cosponsored by the Japan Securities Dealers Association, the Japanese Stock Exchange Conference and the Japan Investment Trusts Association.

○ Introduction

I am SUZUKI Shunichi, serving as Minister of State for Financial Services.

I thank you for inviting me to the National Securities Industry Convention today.

I heard that this convention is also open for online participation. However, I would like to congratulate you on the holding of the first face-to-face convention in three years.



Photo: Minister of State for Financial Services
SUZUKI delivering his address

○ From savings to investment

The KISHIDA administration's new capitalism initiative is prepared to boldly and fundamentally promote a shift from savings to investment as a key measure for achieving a virtuous cycle of growth and distribution.

As you know well, Japan's household financial assets total some 2,000 trillion yen. Most of them are cash and deposits, with equity shares and mutual funds limited to some 20% of the total.

To increase household financial assets, those held as deposits should be used for investment to develop a virtuous cycle in which households benefit from

sustainable economic growth.

Under the initiative, the government is now considering a comprehensive doubling asset-based incomes plan to be announced late this year.

I would like the securities industry to understand and cooperate in the shift from savings to investment.

○ Expanding NISA

A major pillar of the doubling asset-based incomes plan is the fundamental expansion of the Nippon Individual Savings Account program, known as NISA. FSA has cooperated with the securities industry in trying to spread NISA to provide a tax incentive for asset building through long-term, installment-type, diversified investment.

As a result, the number of ordinary and *Tsumitate* NISA (investment by dollar-cost averaging method) accounts has increased to 17 million. However, it is important to further expand the number.

In considering the fundamental expansion of the NISA program, we believe that to increase NISA users it is important that the NISA program is:

- a simple, easy-to-understand, stable program to build assets even from scratch over a long term, and
- a convenient tool for a wide range of generations from the young to the elderly people at a time when people's lifestyles are diversified amid falling birthrates and population.

Accordingly, relevant tax reform requests that FSA submitted on August 31 include the following:

- Perpetuation of the NISA program
- Elimination of time limits on tax exemption
- Expansion of annual investment limits and tax exemption limits
- Introduction of a growth investment quota (tentative name) that takes over ordinary NISA functions while being based on the *Tsumitate* NISA
- Opening of *Tsumitate* NISA accounts to minors

We will do our best to make the NISA program a better system for people's stable asset building.

○ Improvement of financial literacy and customer-oriented business conduct

Regarding the shift from savings to investment, we believe that initiatives to improve individuals' financial literacy and promote financial business operators' customer-oriented business conduct are important for allowing individuals to choose appropriate financial products that meet their needs and life plans.

Towards the improvement of financial literacy, education guidelines for senior high schools were revised in April 2022 to enhance financial and economic education covering asset building.

FSA and Local Finance Bureaus cooperate with schools in supporting classes adapted to the new guidelines, sending lecturers to schools and providing training courses for teachers.

I understand that financial institutions and industry organizations have tried to provide information on asset building in various ways and promote financial and economic education. In the future, we would like to consider arrangements for the public and private sectors to promote financial and economic education for the whole of Japan. We appreciate your cooperation.

Towards the settlement of customer-oriented business conduct, the FSA formulated the "Principles for Customer-Oriented Business Conduct" five years ago and have called on financial business operators to accept the principles.

I understand that many financial business operators have adopted the principles and reformed or plan to reform approaches concerning the distribution and development of financial products. I welcome such moves that are expanding in reach.

At present, there are problems regarding the distribution of complex risk-involving products. I would like you in the securities industry to take proactive initiatives from the perspective of customers' interests.

○ Ensuring market fairness

A basic premise for promoting the shift from savings to investment is to ensure the fairness of trading in the capital market.

Capital market fairness is ensured by the disciplined actions of all market participants. It may be needless to say that you in the securities industry should play particularly large roles in ensuring

market fairness.

I would like you to take initiatives to ensure that Japan's capital market will be trusted by a wide range of people including investors.



Photo: National Securities Industry Convention

○ Sustainable finance

Today, I have focused my address on the shift from savings to investment. However, in your role in the securities industry of being in charge of direct financing, your power is indispensable for resolving this and various other social issues facing Japan.

For instance, Japan is required to dramatically transform its economic and social structure for the 2050 carbon neutrality goal. A key to this end is the promotion of so-called sustainable finance.

In the future, we would like to enhance corporate disclosure regarding sustainability, qualitatively improve environment, society and governance investment and train relevant special human resources in cooperation with you in the securities industry.

○ Closing

Lastly, I wish you happiness and good health and hope for the further development of the securities industry. I thank you.

Interview with State Minister for Financial Services

FUJIMARU Satoshi



We interviewed Mr. FUJIMARU Satoshi, who took office as State Minister for Financial Services when the second KISHIDA Fumio Cabinet was inaugurated on August 12, 2022. In this interview, Mr. FUJIMARU talked about his resolutions and thoughts on financial administration.

Outline of the interview

- ◆ To vitalize Japan's financial markets
- ◆ To expand the NISA program to create everyone's market
- ◆ To promote the development of my constituency and consider matters for the all of Japan as a National Diet lawmaker

Profile of FUJIMARU Satoshi, State Minister for Financial Services

Born in January 1960, State Minister FUJIMARU served as secretary to then House of Representatives Member KOGA Makoto for many years before being elected as a member of the House of Representatives in December 2012 for the first time. He served as Parliamentary Vice-Minister of Defense in the third ABE Shinzo cabinet inaugurated in 2015. His hobbies are *kendo*, *judo*, piano and *shamisen* playing. His favorite word is *shisei* (sincerity).

-- First, please tell us about your resolutions as State Minister for Financial Services.

When I was 19 years old, I came to Tokyo from Fukuoka. Then, I served as secretary to Mr. Koga (KOGA Makoto, then House of Representatives Member) while attending university. After entering a graduate school, I taught politics and economics, and modern society at a senior high school.

Since then, I have studied mainly economics, particularly macroeconomics. Since becoming a National Diet lawmaker, I have also studied the impact of the monetary base on the market and foreign exchange rate fluctuations. I was involved with the launch of the ordinary Nippon Individual Savings Account program, known as NISA, in 2014 and the introduction of the *Tsumitate* NISA in 2018, studying financial markets.

Now that I have become State Minister for Financial Services, I would like to vitalize Japan's financial markets.

-- Please tell us about your idea about the fundamental expansion of the NISA program you mentioned in your address to FSA officials when you visited FSA on August 15 for the first time after assuming the post.

As Chair of a financial market enhancement and insurance project team of the Research Commission on the Finance and Banking Systems of the Liberal Democratic Party, I have studied why the US financial markets have soared persistently.

In the US, money began to flow from monthly wages to financial markets thanks to the 401k fixed contribution pension plans in the 1980s. As Mac and Windows 95 computers diffused in the 1990s, retail investors got easy access to financial markets, invigorating market transactions. In the 2000s, derivatives transactions expanded. Despite the later global financial crisis, buying has tended to outpace selling in the US financial markets. Supported by global monetary easing and the growth of companies led by GAFA (Google, Apple, Facebook and Amazon), the US financial markets have followed a consistent uptrend.

As illustrated in a proposal of the Research Commission on the Finance and Banking Systems, if an investor invested \$150 per month in the S&P 500 index from 1981, the investor's assets would have increased above \$1 million in a 40-year period ending in 2020, with an annual compound yield at some 7% (see Figure 1).

The 401k pension plans can be viewed as having induced investment in mutual funds in the US. I would like you to look at this kind of data (See Figures 2 and 3).

In the US, financial markets might have become everyone's market rather than a market opened only to some people.

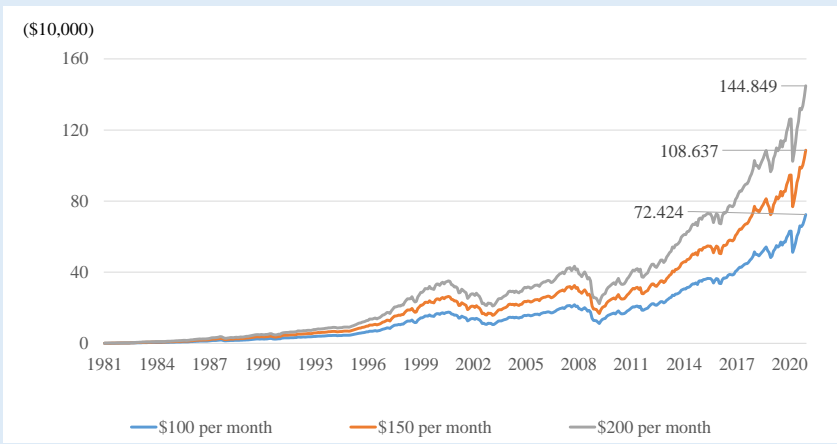
I think that the fundamental NISA expansion subject to our tax reform requests will contribute to developing everyone's market.

The 401k pension plans feature employers' contributions matching those paid by their employees, creating an incentive for employees to make contributions. For the NISA program as well, it is important to consider an incentive for young people to start investment.

The tax reform requests call for the perpetuation of the NISA program and the expansion of tax exemption limits, for which the details would be subjected to future discussions. The reforms will allow people in their 20s to build significant assets by accumulating investment gradually and steadily until they become elderly. If they have significant assets, elderly people may be able to enjoy comfortable lives while working moderately.

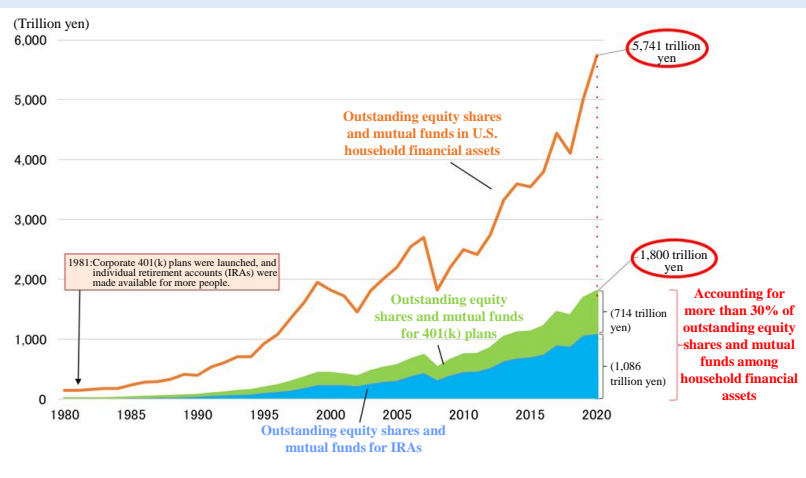
I would like to take advantage of the NISA expansion policy for resolving problems in the aging society and realizing such comfortable society.

Figure 1: Simulation of investment accumulation (S&P 500)



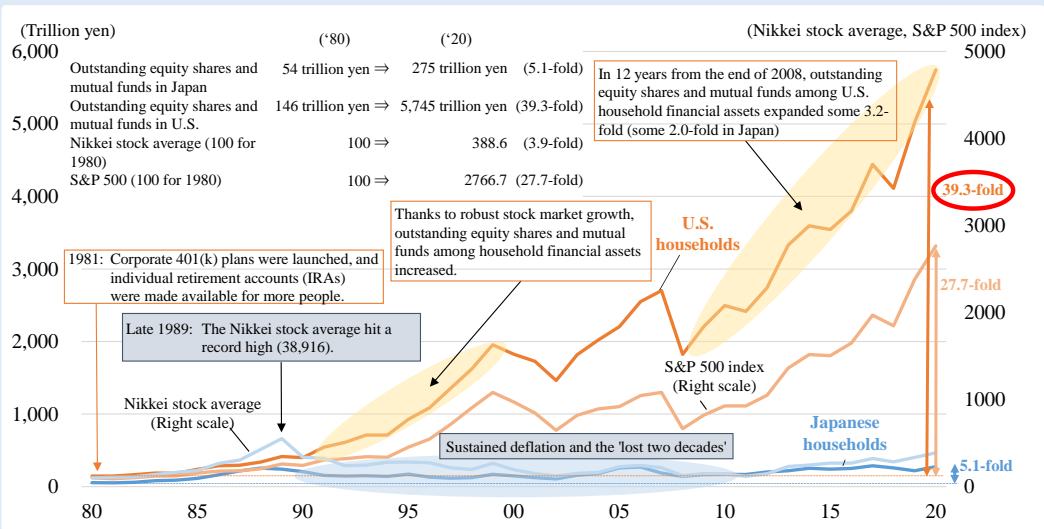
(Source) Estimated from DQYD "The S&P 500 Periodic Investment Calculator"
(Note) From January 1981 to December 2020. Tax or fees are not considered.

Figure 2: Trends of 401k, etc.



(Sources) Bank of Japan, Federal Reserve Board
(Note) Outstanding equity shares and mutual funds include those held indirectly.

Figure 3: Outstanding equity shares and mutual funds in Japanese and U.S. household financial assets



(Sources) Bank of Japan, Federal Reserve Board
(Note) Outstanding equity shares and mutual funds include those held indirectly.

-- Please tell us about the reason you decided to become a National Diet lawmaker when you were a secretary to Mr. Koga.

I became a National Diet lawmaker as recommended by Mr. Koga, but I had to be well prepared because any National Diet lawmaker was expected to assume heavy responsibilities.

Since becoming a National Diet lawmaker, however, I have believed that it is important to do my best to develop my constituency that is vulnerable to disasters and consider matters for the whole of Japan while growing in capability.

-- What are impressive among policies you have tackled so far?

When I was serving as a secretary to Mr. Koga, I wanted to open National Diet lawmakers' remarks at committee and plenary sessions to the public and tried hard to coordinate with the relevant people to make minutes of the House of Representatives and the House of Councilors available on the Internet.

Since becoming a National Diet lawmaker, I have tackled many policies including corporate tax measures, disaster countermeasures and the enhancement of national resilience. Among many policies, I have focused my efforts particularly on tax cuts for housing loan borrowers.

Given my experience with difficulties regarding housing, I would like young people to have their own homes. I tried hard to extend a housing loan tax credit period from 10 years to 13 years.



Photo: During the interview

-- What are your words to live by?

As *shisei tsuten* (sincerity can move heaven) were Mr. Koga's words to live by, *shisei* is my word to live by, meaning working hard sincerely.

I also treasure *sekishin*, meaning a clean, pure heart.



Photo: During the interview

-- How do you unwind on your days off?

I am relaxed in a daze (laughter).

However, it is not easy to be relaxed in a daze. Humans think about something under pressure unless they are deep in sleep.

So, I believe that when I am relaxed in a daze, I can think about various things most effectively.

Before, I enjoyed flying on an ultra-light plane as a hobby.

I also studied Pythagorean tuning and Bach's counterpoint on my own and played piano, although I have never learned how to play piano. It seems that my piano playing was introduced in a special TV program for an election. I was surprised to see a rapid increase in the number of views of a YouTube video of my piano playing.

In my senior high school days, I practiced *kendo* and *judo*. My classmates were graded fifth dan for *judo* and seventh dan for *kendo*. I believe that I would never be defeated by them. So, I believe that I am graded sixth for *judo* and eighth for *kendo*. In fact, however, I am graded first for both (laughter).

(Interviewer MORIYA Takayuki, Director of the Public Relations Office)

* The interview was conducted while keeping a sufficient distance and having good ventilation as infection control measures.

Overview of FY2023 Tax Reform Requests

- Focusing on the Request for the Major Expansion of NISA

KISHIMOTO Manabu, Director, Strategy Development Division,
Strategy Development and Management Bureau

On August 31, 2022, the FSA submitted its FY2023 tax reform requests and published them on its website^{*1}. This report mainly introduces the request for the major expansion of the NISA,^{*2} a tax exemption program for small investments.

Background

The new capitalism initiative advocated by the KISHIDA administration calls for promoting a shift from savings to investment boldly and fundamentally as a key measure towards a virtuous cycle of growth and distribution.

While Japan has some 2,000 trillion yen in household financial assets, most of them are cash and deposit accounts, with equity shares and investment trusts limited to some 20% of the total. To increase household financial assets, those held as deposits should be used for investment to develop a virtuous cycle in which households benefit from sustainable economic growth. Under the initiative, the government is now considering a comprehensive Doubling Asset-Based Income Plan to be announced late 2022.

A major pillar of the Doubling Asset-Based Income Plan is the major expansion of the NISA program. The FSA has tried to spread NISA to provide a tax incentive for wealth building through long-term, installment-type, diversified investment. As a result, the number of ordinary and *Tsumitate* (installment-type) NISA accounts has increased to 17 million. However, it is important to further expand the number.

In considering the major expansion of the NISA program, we believe:

- That to increase NISA users, the NISA program should become a simple, easy-to-understand, stable program to build wealth even from scratch over a long term, and

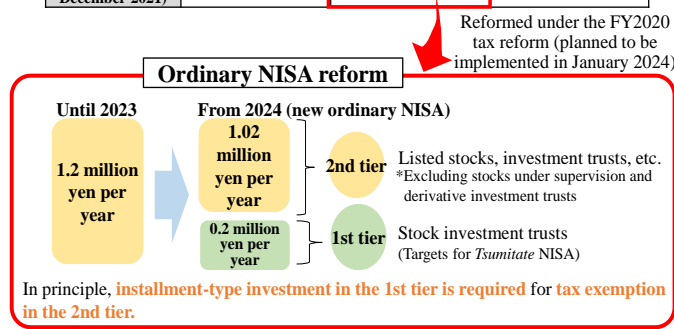
- That the NISA program should become a convenient tool for a wide range of generations from the young to elderly people at a time when people's lifestyles are diversified amid falling birthrates and population.

Current NISA program

Returns (capital gains and dividend income) on investment through NISA accounts are exempt from tax. NISA accounts can be opened at banks and securities companies, including *Tsumitate* and ordinary NISA accounts for adults and junior NISA accounts for minors. See Figure 1 for details.

Figure 1: Overview of current NISA program

	<i>Tsumitate</i> NISA (Launched in 2018)	Ordinary NISA (Launched in 2014)	Junior NISA (Launched in 2016)
	← Choices →		
Investable period	Until 2042	Until 2028	Until 2023
Tax exemption period	20 years	5 years	5 years * Accounts for which the tax exemption period will expire at the end of 2023 or later will remain exempt from tax as far as their holders are aged up to 18.
Annual investment limit	0.4 million yen	1.2 million yen	0.8 million yen
Tax exemption limit	8 million yen	6 million yen	4 million yen
Investment targets	Stock investment trusts suitable for long-term, installment-type, diversified investment	Listed stocks, ETFs, REITs, stock investment trusts	Listed stocks, ETFs, REITs, stock investment trusts
Target age	20 or more* *18 or more from 2023	20 or more* *18 or more from 2023	Less than 20* *Less than 18 from 2023
Number of accounts (at the end of March 2022)	0.587 million accounts	1.113 million accounts	0.8 million accounts
Outstanding balance (at the end of December 2021)	1.7 trillion yen	10.1 trillion yen	0.5 trillion yen



^{*1} FSA tax reform requests (FY2023) published on August 31, 2022
<https://www.fsa.go.jp/news/r4/sonota/20220831.html> (Available in Japanese)

^{*2} Modelled after the Individual Savings Account (ISA) in the United Kingdom, the Japanese-version ISA is nicknamed NISA (Nippon Individual Savings Account).

The NISA program was reformed under the FY2020 tax reform package to terminate new investment for the junior NISA and transform the ordinary NISA into a new two-tier ordinary NISA (installment-type investment in the 1st tier is required for tax exemption in the 2nd tier in principle) in January 2024. The latest FSA tax reform requests design the two-tier ordinary NISA to become a new type after the major expansion of NISA described below.

Requests for major expansion of NISA

The FSA tax reform requests call for the following measures to reform the NISA program into "a simple, easy-to-understand, convenient program" as shown in Figure 2:

- (1) **Perpetuation of the NISA program**
- (2) **Elimination of time limits on tax exemption**
- (3) **Expansion of annual investment limits and tax exemption limits**
- (4) **Introduction of a growth investment quota (tentative name) that takes over ordinary NISA functions while being based on the**

Tsumitate NISA

(5) Opening of Tsumitate NISA accounts to minors

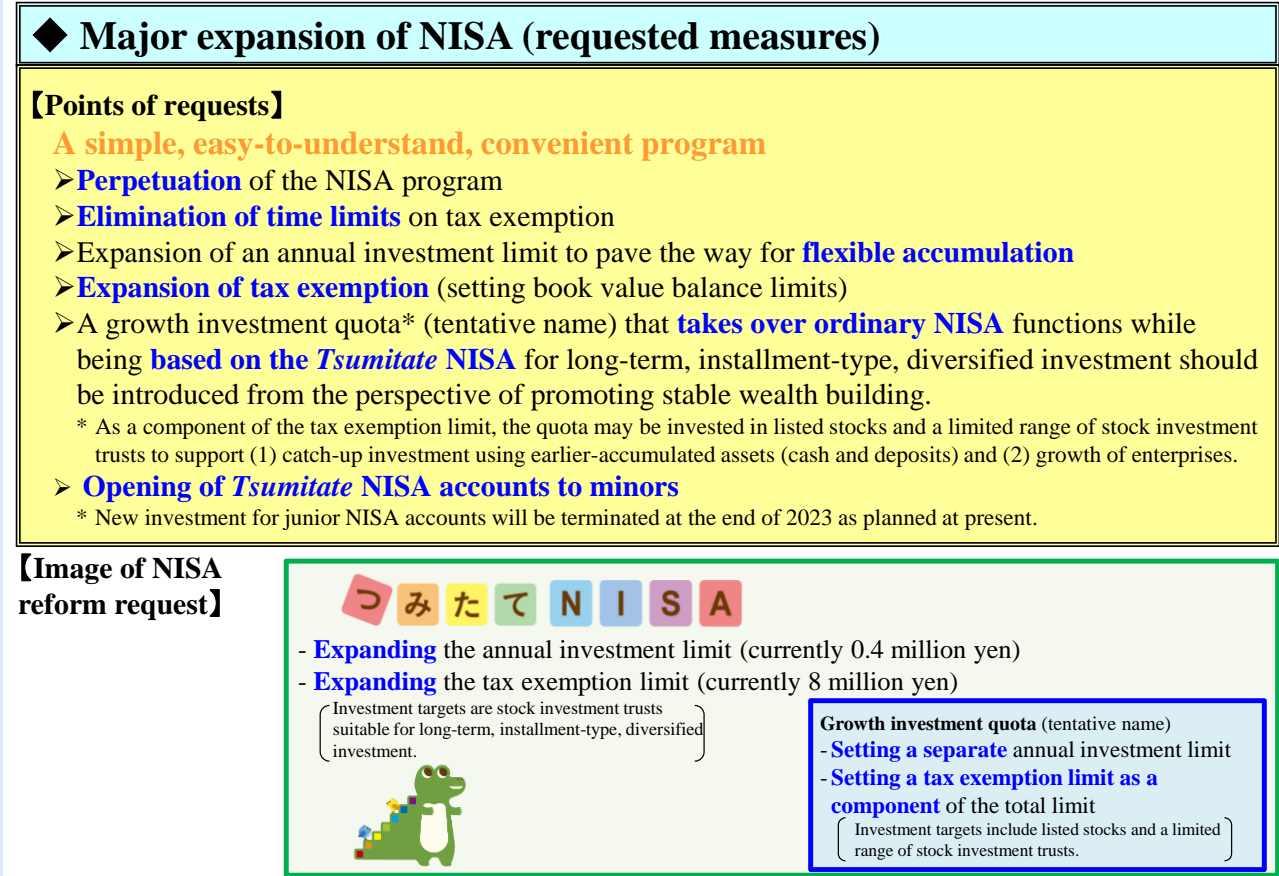
The requests list up specific measures without mentioning amounts. Other details than those specified in the requests will be subject to future discussions.

Among the five measures above, the first one will make the temporary NISA program a perpetual one. At present, the investable period is set to continue until 2042 for the Tsumitate NISA and until 2028 for the ordinary NISA. The FSA is considering making the investable period unlimited.

The second measure will eliminate time limits on tax exemption: 20 years for the Tsumitate NISA and five years for the ordinary NISA.

The third measure will expand the annual investment limit, make accumulation flexible and set tax exemption limits based on the book value balance. The FSA plans to effectively raise the tax exemption limits from the present levels: 8 million yen (0.4 million yen x 20 years) for the Tsumitate NISA and 6 million yen (1.2 million yen x 5 years) for the ordinary NISA.

Figure 2: Requests for major expansion of NISA



The FSA plans the fourth measure to be based on the *Tsumitate* NISA program for long-term, installment-type, diversified investment from the perspective of promoting stable wealth building. The FSA requests that a growth investment quota (tentative name) that takes over ordinary NISA functions be introduced as a component of the tax exemption limit for investment in listed stocks and a limited range of stock investment trusts to support catch-up investment using earlier-accumulated assets (cash and deposits) and growth of enterprises. The ordinary NISA program may thus disappear in a manner to be taken over by the growth investment quota. This means that investment through the growth investment quota may be added to that through the *Tsumitate* NISA program. As shown by Figure 2, the FSA plans to set an annual investment limit for the growth investment quota separately from the limit for the *Tsumitate* NISA program and treat the tax exemption limit for the growth investment quota as a component of the limit for the *Tsumitate* NISA program.

The fifth measure is planned to open the *Tsumitate* NISA program to minors and allow them to launch long-term, installment-type, diversified investment, while new investment through the junior NISA program (for which investment targets are the same as those for the ordinary NISA program) will be terminated at the end of 2023 as scheduled.

The above is an overview of the FSA request for the major expansion of the NISA program. The Basic Policy on Economic and Fiscal Management and Reform 2022, adopted by the Cabinet in June 2022, states that “with the aim of doubling asset-based income through investment, we will mobilize all policies and promote boldly and significantly the shift from savings to investment by such means as drastically expanding the NISA program.” Prime Minister Kishida in his address at the New York Stock Exchange in September 2022 stated that in order to double asset income and enable long-term asset building for retirement, it is essential to make

our small investment tax exemption system for individuals (i.e. NISA) permanent.

In the future, the major expansion of the NISA program may be considered at such forums as the ruling party's tax commission, based on the FSA requests. The FSA would like to make utmost efforts to realize the requests to improve the NISA program for encouraging people to stably build wealth.

Other major requests

In addition to the major expansion of the NISA program, the FSA has requested the following major tax reform measures regarding the asset-income doubling plan:

- **Introduction of a corporation tax credit regarding costs for promoting wealth building**
 - **Revision of a tax exemption measure for the donation tax regarding the lump sum donation of funds for education**
 - **Integration of financial income tax (expansion of the scope for aggregation of profits and losses on financial instruments for taxation)**
- The FSA has also requested the following major measures in the tax reform requests:
- **Equal footing regarding taxation for branches and subsidiaries for overseas expansion**
 - **Perpetuation of tax exemption regarding bond repurchase agreements with foreign funds**
 - **Expansion of tax exemption regarding life insurance premiums**
 - **Elimination of a special corporation tax on or extension of a tax moratorium for provisions for corporate pension**
 - **Revision of taxation on actual term-end value of crypto-assets**

It is regrettable that details of these measures cannot be described here because of space limitations. If you are interested in the details, see published documents on the FSA website as introduced at the outset.

Promotion of Sustainable Finance

- The 2nd Report by the Expert Panel on Sustainable Finance

TAKAMURA Makoto, Strategy Development Coordinator, Sustainable Finance Promotion Office,
Strategy Development Division, Strategy Development and Management Bureau

The FSA has established the Expert Panel on Sustainable Finance (EPSF) to discuss initiatives to promote sustainable finance. In July 2022, the EPSF published its second report. I here would like to explain the FSA’s sustainable finance policy measures including details of the report.

As sustainable finance is related to the roles of finance in supporting the overall transformation of social and economic structures, it is important to comprehensively consider a wide range of issues involved with fund providers and recipients, intermediaries such as security companies, types of funds (stocks, bonds, loans, capital investment funds, startup funds, etc.), financing target areas (environment, society, governance, etc.), and technologies, human resources and knowledge for structural transition.

The figure below shows the overview of sustainable finance initiatives, including new challenges seen in the past year, based on the report published last year.

It positions investors and financial institutions which invest funds in companies that undertake industrial and social structure transition. Companies promote various sustainability initiatives in response to natural and social environment changes. The appropriate

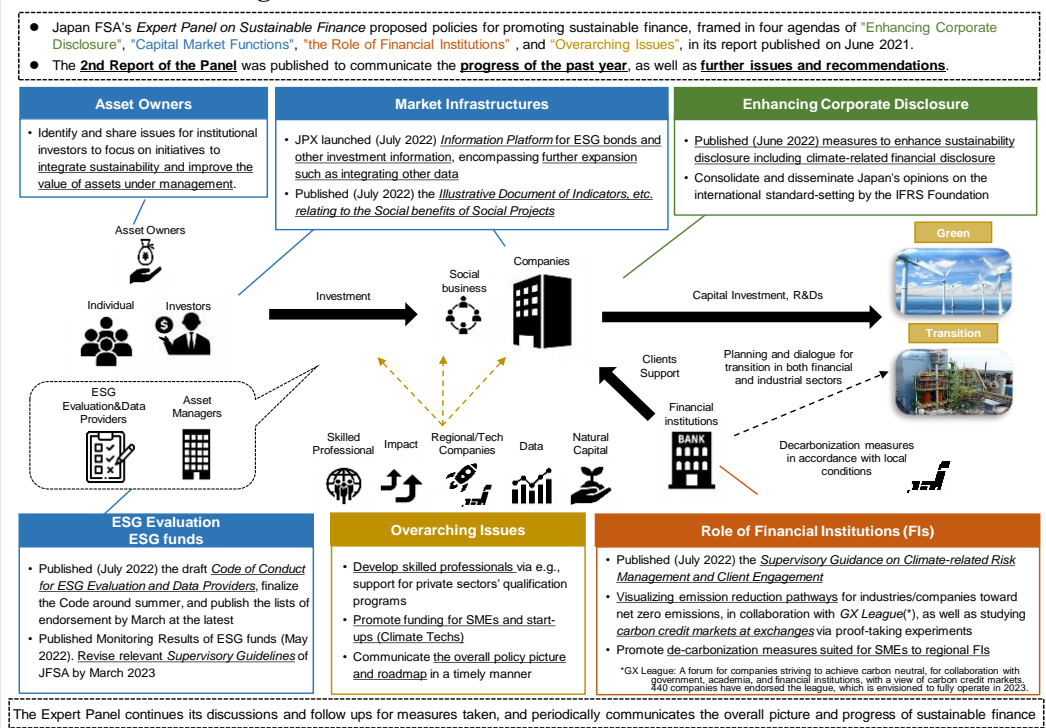
disclosure of these initiatives can lead investors and financial institutions to accurately understand companies' future business risks and their growth and sustainability potential and provide loans and investment.

Based on the overview, the FSA promotes sustainable finance mainly from three perspectives.

1. Demonstrating market functions

To realize a sustainable economy and society as well as risk management, institutional investors, such as pension funds and life insurance companies are expected to provide necessary funds from a medium- to long-term perspective and engage in corporate management. For this purpose, institutional investors need to accumulate knowledge about ESG (environment, society and governance) issues, their impact on business, and technologies for resolving these issues.

Figure: Overview of Sustainable Finance Initiatives



Retail investors, who hold financial assets of approximately 2 quadrillion yen in total, play a role in the sustainable finance market through purchase of investment trust. They are also final beneficiaries of assets held by institutional investors. As opportunities for retail investors to select ESG-related financial instruments are increasing, careful explanations are required when develop and selling ESG-related investment trusts in order to enhance investment opportunities for retail investors. In this respect, the FSA has decided to publish supervisory expectations for asset management firms in “Progress Report on Enhancing Asset Management Business 2022”, based on our investigation on ESG-related investment trust initiatives at these firms.

In recent years, ESG evaluation and data providers have increasingly been used for raising ESG-related funds such as ESG-related bond issues. To promote sustainable finance, ESG evaluation organizations are required to use appropriate data for constructive talks with companies and secure transparency and neutrality of their evaluation ratings so that investors can accurately understand sustainability initiatives of various companies. Therefore, the FSA plans to publish the Code of Conduct for ESG Evaluation and Data Providers to secure transparency and neutrality by calling for such organizations’ endorsement.

In addition, the FSA is developing infrastructure to enable the entire market, including companies, investors and intermediaries such as securities companies, to function effectively. Referring to foreign securities exchanges’ initiatives to aggregate ESG-related information, the EPSF report argues developing an information platform regarding ESG-related bonds and specific issuance cases. In response, the Japan Exchange Group (JPX) launched such platform on July 19, 2022*.

2. Enhancing corporate disclosure

Corporate sustainability information is important for improving corporate values over a medium to long term.

Companies listed on the Tokyo Stock Exchange Prime Market launched in April 2022 are required to disclose information based on the Task Force on Climate-related Financial Disclosures (TCFD) or its equivalent international framework, along with the

revision of Corporate Governance Code.

The Disclosure Working Group (DWG) report, published in June 2022, called for creating a new section for disclosure of sustainability information in the Annual Securities Report to provide integrated sustainability information covering climate change and human capital. In response to the work on formulation of sustainable standards by the International Sustainability Standards Board (ISSB), the Sustainability Standards Board of Japan (SSBJ) is expected to take leadership in sharing information internationally and considering specific disclosure in Japan. The DWG plans to consider specification of the roles of the SSBJ and guarantees for sustainability information.

3. Demonstrating financial institutions' functions

It is also important for financial institutions having close relations with companies to demonstrate their functions. Particularly, transition to decarbonization is of growing importance in electricity, steel and other high emitting industries. Financial institutions are expected to make lending and investment decisions after continuous dialogues with their client companies on how to realize structural transformation for decarbonization, in line with domestic and foreign policies and trends in industry and international financial institutions. In this respect, the FSA in July 2022 published a climate change guidance for financial institutions and established the Working Group on Financial Institutions' Efforts towards the Decarbonization of the Economy to deepen discussions on the matter,

In addition to the above three perspectives, there are overarching issues including impact investment, startup and regional companies, data aggregation and the development of expertise. The FSA plans to launch a working group this year to discuss impact investment.

As described above, the FSA is promoting sustainable finance measures focusing on enhancing corporate disclosure, demonstrating market functions and demonstrating financial institutions' functions. As new challenges emerge along with rapid changes in markets, the FSA plans to continue and deepen its responses to these challenges.

* Japan Exchange Group (JPX) "ESG Bond Information Platform": <https://www.jpj-esg.jp/> (Available in Japanese)

REVICareer Links Large Enterprises' Employees Considering Regional Business Success to Regional Firms

KANEDA Kazuya, Director for Planning and Coordination, Human Resources Matching Promotion Office, Planning and Management Division, Supervision Bureau

Overview

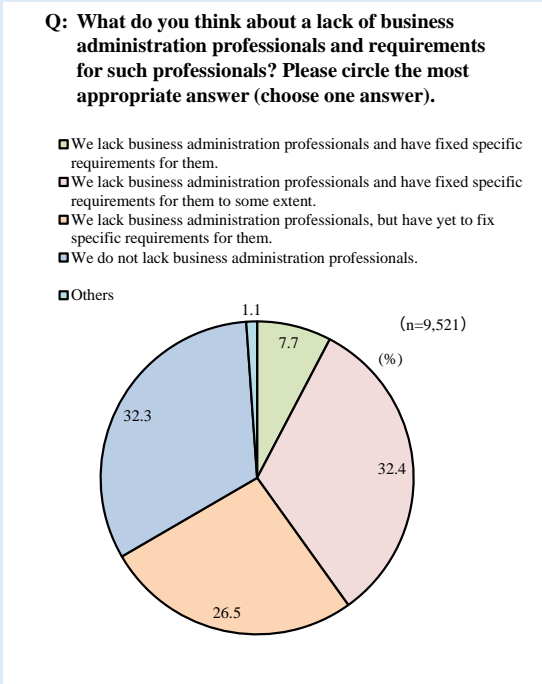
The FSA established a human resources platform called REVICareer at Regional Economy Revitalization Corporation of Japan (REVIC) in October 2021 to link human resources at large enterprises to regional financial institutions seeking to meet demand from small and medium enterprises (SMEs) for business administration professionals. Recently, the FSA has launched a new service for human resources at large enterprises to directly register themselves at the platform through a web form in addition to the existing service for registration through human resources divisions of their employers.

Human resources issues at SMEs and large enterprises

According to a business questionnaire survey covering some 10,000 SMEs (in April 2021), 66.6% of respondent SMEs lack business administration professionals (Figure 1).

Furthermore, 35.0% cited main banks as executive search service providers expected to provide SMEs with business administration professionals. Among those other than inhouse executives and employees and outside acquaintances, main banks were the most frequently cited (Figure 2).

Figure 1: Awareness about a lack of business administration professionals



If financial institutions identify and meet SMEs' demand for business administration professionals, they may be able to provide such professionals to SMEs that fall short of approaching staffing agencies to get such professionals.

Figure 2: Desired executive search service providers (multiple answers allowed)

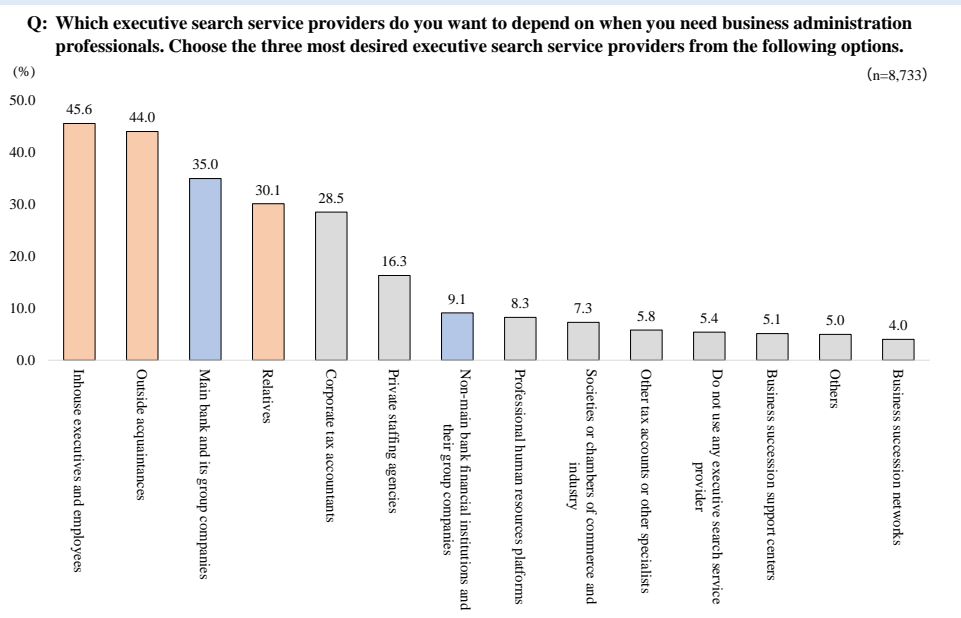


Figure 3: Careers and experiences required for business administration professionals (multiple answers allowed) <People who have been hired actually>

Category	Percentage (%)
Others	2.1
Have experienced jobs as required	20.4
Have connections with urban people	54.9
Have worked in rural regions	3.5
Have worked outside Japan	5.3
Have worked for financial institutions	3.8
Have worked for large enterprises	27.4

- 1st barrier: Contacts between SMEs and employees of large enterprises are difficult to establish.
- 2nd barrier: SMEs are not used to hiring business administration professionals from other companies.
- 3rd barrier: Roles required of employees are different between large enterprises and SMEs.

REVICareer links human resources divisions and employees of large enterprises to regional financial institutions that identify SMEs' demand for business administration professionals. At present, more than 70 large enterprises and more than 90 regional financial institutions are registered with REVICareer launched fully in October 2021. REVICareer is expected to work as an effective human resources platform (Figure 4).

[Breakdown by type]

Regional banks	55
Second-tier regional banks	25
Shinkin banks (credit associations)	15

Total: 95 institutions

*Group companies of financial institutions are registered.

Kyushu/Okinawa		Chugoku		Hokuriku	
Fukuoka	<ul style="list-style-type: none"> Bank of Fukuoka* Nish-Nippon City Bank* Kitakyushu Bank* 	Tottori	<ul style="list-style-type: none"> Tottori Bank 	Toyama	<ul style="list-style-type: none"> Hokuriku Bank Bank of Toyama First Bank of Toyama
Saga	<ul style="list-style-type: none"> Bank of Saga 	Shimane	<ul style="list-style-type: none"> San-in Godo Bank 	Ishikawa	—
Nagasaki	<ul style="list-style-type: none"> Juhachi-Shinwa Bank* Bank of Nagasaki* 	Okayama	—	Fukui	<ul style="list-style-type: none"> Fukui Bank*
Kumamoto	<ul style="list-style-type: none"> Higo Bank* Kumamoto Bank* 	Hiroshima	<ul style="list-style-type: none"> Hiroshima Bank* Momiji Bank* 		
Oita	<ul style="list-style-type: none"> Oita Bank 	Yamaguchi	<ul style="list-style-type: none"> Yamaguchi Bank* Saikyo Bank 		
Miyazaki	<ul style="list-style-type: none"> Miyazaki Bank* Miyazaki Taiyo Bank 				
Kagoshima	<ul style="list-style-type: none"> Minami Nippon Bank Kagoshima Shinkin Bank 				
Okinawa	<ul style="list-style-type: none"> Bank of The Ryukyus 				

Shikoku	
Tokushima	<ul style="list-style-type: none"> Awa Banks Tokushima Taisho Bank
Kagawa	<ul style="list-style-type: none"> 114 Bank Kagawa Bank
Ehime	<ul style="list-style-type: none"> Iyo Bank Ehime Bank
Kochi	<ul style="list-style-type: none"> Shikoku Bank Bank of Kochi

Tokai	
Gifu	<ul style="list-style-type: none"> Okaki Kyoritsu Bank* Juroku Bank* Gifu Shinkin Bank
Shizuoka	<ul style="list-style-type: none"> Shizuoka Bank Suruga Bank* Shimizu Bank Seishin Shinkin Bank Hamamatsu Iwata Shinkin Bank Mishima Shinkin Bank
Aichi	<ul style="list-style-type: none"> Aichi Bank Bank of Nagoya Chukyo Bank Toyokawa Shinkin Bank Heikaido Shinkin Bank
Mie	<ul style="list-style-type: none"> San ju San Bank Hyakugo Bank*

Kinki	
Shiga	<ul style="list-style-type: none"> Shiga Bank
Kyoto	<ul style="list-style-type: none"> Bank of Kyoto Kyoto Shinkin Bank
Osaka	<ul style="list-style-type: none"> Kansai Mirai Bank Senshu Ikeda Bank Osaka Shinkin Bank Kitasaku Shinkin Bank*
Hyogo	<ul style="list-style-type: none"> Tajima Bank Minato Bank
Nara	<ul style="list-style-type: none"> Nanto Bank*
Wakayama	<ul style="list-style-type: none"> Kiyo Bank

Hokkaido/Tohoku	
Hokkaido	<ul style="list-style-type: none"> Hokkaido Bank North Pacific Bank* Asahikawa Shinkin Bank
Aomori	—
Iwate	<ul style="list-style-type: none"> Bank of Iwate* Tohoku Bank
Miyagi	<ul style="list-style-type: none"> 77 Bank Sendai Bank*
Akita	<ul style="list-style-type: none"> Hokuto Bank
Yamagata	<ul style="list-style-type: none"> Shonai Bank Yamagata Bank*
Fukushima	<ul style="list-style-type: none"> Toho Bank Fukushima Bank

Kanto/Koshinets	
Gunma	<ul style="list-style-type: none"> Gunma Bank Towa Bank Takasaki Shinkin Bank
Tochigi	<ul style="list-style-type: none"> Ashikaga Bank Tochigi Bank
Ibaraki	<ul style="list-style-type: none"> Joyo Bank Tsukuba Bank
Saitama	<ul style="list-style-type: none"> Musashino Bank Hanno-Shinkin Bank
Chiba	<ul style="list-style-type: none"> Chiba Bank* Chiba Kogyo Bank Keiyo Bank
Tokyo	<ul style="list-style-type: none"> Kaiyobashi Bank* Higashi-Nippon Bank* Seibu Shinkin Bank*
Kanagawa	<ul style="list-style-type: none"> Bank of Yokohama
Niigata	<ul style="list-style-type: none"> Dashi Hokuetsu Bank* Taiko Bank Sanjo Shinkin Bank
Yamanashi	<ul style="list-style-type: none"> Yamanashi Chuo Bank
Nagano	<ul style="list-style-type: none"> Hachijino Bank* Nagano Bank

SMEs that are not used to hiring outside personnel are frequently required to reform personnel systems and enhance benefits when hiring outside personnel. To prevent costs for such measures from impeding the hiring of outside personnel or overcome the second barrier, benefits are paid to cover such costs when SMEs hire outside personnel as full-time, transferred, part-time or concurrent employees through the REVICareer platform.

To overcome the third barrier, lectures, SME internship programs and workshops for career counselling are provided at no cost for human resources at large enterprises to know the roles required at SMEs as business administration professionals and reaffirm their skills.

Launching direct registration by human resources at large enterprises

The registration of human resources at large enterprises with the REVICareer platform has traditionally been conducted through human resources divisions of these enterprises. However, given these human resources' personal inquiries to REVICareer about the registration and these divisions' requests for registration without their involvement, REVICareer set up a web form for employees of large enterprises to directly register themselves with the platform on August 26, 2022.



As people are increasingly interested in working at regional enterprises or SMEs for family-related and other reasons amid the diversification of career and residence concepts, the FSA hopes that the new registration method will provide people working at large enterprises with new options.

Human Resources Concierge to support regional financial institutions' personnel intermediary services

As shown by Figure 1, some 90% of SMEs that recognize their lack of business administration professionals have not fixed their specific requirements for such professionals. Even if such requirements are specified, intermediaries may be required to search for appropriate human resources and achieve their hiring.

Regional financial institutions' measures to back up their client companies vary depending on their business strategies and business conditions at these clients. For those that are about to provide their clients with human resources intermediary services, the government has provided various support measures including not only the REVICareer service but also a leading human resources matching project (by the Secretariat of the Council for the Realization of the Vision for a Digital Garden City Nation at the Cabinet Secretariat). In this respect, the FSA has launched the Human Resources Concierge Desk on its website to support financial institutions that plan to launch personnel placement services or are plagued with regulatory and other problems regarding such services.

(Reference URL)

<https://www.fsa.go.jp/policy/chuukai/jinzai/counter.html> (Available in Japanese)

(Inquiry contact) concierge@fsa.go.jp (Available in Japanese)

The FSA will back up regional financial institutions' personnel placement services through the website by providing consulting services through the Human Resources Concierge Desk and introducing facts about regional financial institutions' personnel placement services to communicate useful information for financial institutions' response to SMEs' demand for human resources.

* Source for Figures 1 to 3: Results of a business questionnaire survey (in April 2021) published on August 31, 2021
<https://www.fsa.go.jp/policy/chuukai/shiryoku/questionnaire/210830/01.pdf> (Available in Japanese)

2022 Campaign to Strengthen Consultation Services for Multiple Debtors

The Headquarters for Measures for Multiple Debtors (headed by the Minister of State for Financial Services) carries out a nationwide campaign to strengthen local governments' systems of consultation services for multiple debtors every year.

The issue of multiple debtors has calmed down compared to the past. However, there are still a considerable number of people plagued with heavy debt, indicating that we need to continue relevant countermeasures.

Accordingly, the Headquarters, the Japan Federation of Bar Associations, the Japan Federation of Shiho-Shoshi Lawyers' Associations and the Japan Legal Support Center (Houterasu) will jointly carry out the 2022 Campaign to Strengthen Consultation Services for Multiple Debtors from September to December this year.

During this campaign period, prefectural governments, bar associations, shiho-shoshi lawyers' associations, small and medium-sized enterprise associations and Local Finance Bureaus will jointly carry out free counseling events for consumers and businesses and other relevant initiatives (including the extension of hours for accepting consultation requests at permanent consultation offices and the acceptance of consultation requests by phone).

During consultations, counselors empathically

endeavor to ascertain the current situations of persons with multiple debts seeking consultation and work with them to solve their problems, while introducing specialists or specialized agencies as necessary.

If you have troubles regarding debt repayment, please feel free to consult us. If you know someone in trouble, we would appreciate it if you would tell that person about this campaign.

See the schedules for free consultation events from here: <https://www.fsa.go.jp/policy/kashikin/index.html> (Available in Japanese)

The FSA website introduces a voluntary lending restriction system to prevent borrowers from borrowing new loans for lavish spending or gambling if the borrowers are subjected to lending restrictions through their own initiative or their legal representatives' reports to the Japan Financial Services Association or the Personal Credit Information Center of the Japanese Bankers Association for such reasons as that the borrowers' lavish spending practices or their heavy dependence on gambling could disrupt their and their families' lives.

In implementing the campaign this year, the FSA gives sufficient consideration to people affected by COVID-19 and takes care to prevent COVID-19 infections from spreading.



一人で悩まず、多重債務相談窓口には是非ご相談ください。

中小事業者・個人事業者の方からのご相談も受け付けています。

相談窓口では、収入・支出と借入れ・ローンのバランスから債務の整理、生活再建のためのセーフティネット制度などの活用についてサポートしています。

ギャンブル等へののめり込みによる借金の場合、安易な肩代わりはやめましょう。ギャンブル問題に詳しい医療・相談機関(全国の保健所・精神保健福祉センター等)に相談の上、借金返済の相談を進めましょう。

多重債務者相談強化
キャンペーン 2022

9月1日(木)～12月31日(土)

多重債務相談窓口に関するお問い合わせは、お住まいの都道府県・市区町村や最寄りの財務局まで。

法テラスサポートダイヤル

0570-078374

【受付時間】平日/9:00-21:00 土曜/9:00-17:00
(夜間・年末年始は休)



※法テラスとは異なり独立した法人です。本番の法テラス事務所では、収入や資産が一定額以下であるなどの要件を満たした本人の方を対象に無料法律相談を実施しています。

主催／多重債務者対策本部、日本弁護士連合会、日本司法書士会連合会、日本司法書士会連合会(法テラス)

Introduction of AI chatbot

At the FSA's Counseling Office for Financial Services Users, counselors provide responses and advice to inquiries and comments from financial services users by phone from 10 a.m. to 5 p.m. on weekdays.

Inquiries and comments are roughly divided into two groups: those on individual transactions and those on general or routine financial administration and services.

As consultations on individual transactions are complicated, counselors carefully listen to person seeking consultation and provide understandable explanations, and many responses now require considerable time.

To general or routine inquiries on financial administration and services, such as those on the confirmation of some securities company's registration with the FSA, the confirmation of specific published documents and those concerning contact information, the FSA believes that routine responses may be enough.

On September 1, the Counseling Office launched an AI chatbot for an automated answering service using artificial intelligence on the FSA website for 24 hours a day including those time periods when phone counseling is unavailable, attempting to improve users' convenience.

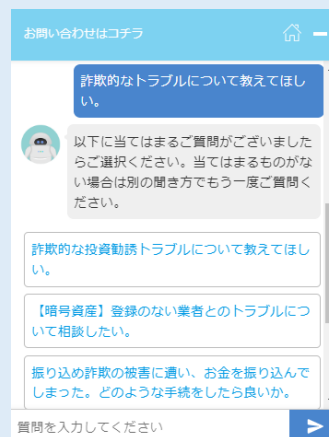
Anticipated general and routine questions and responses to them are input into the chatbot in advance. Users may select specific questions from the preset ones or input specific questions. When questions are input, AI may choose and display questions and answers that hit input keywords or are appropriate for input questions.



The AI chatbot homepage (left) and the case in which "1. deposits, loans, etc." among routine questions is clicked (right)



An icon at the lower right on the top page of the FSA website represents the AI chatbot.



Example of asking the chatbot to explain fraud trouble cases

The FSA plans to identify questions from users and add or revise questions and responses to make the AI chatbot system accepted by more people. We are looking forward to your use of the service.

Phone inquiries will continue to be accepted between 10am and 5pm on weekdays (0570-016811 (03-5251-6811 for IP phone)) (Japanese language only)

Bank users

- Cooperate in preventing money laundering and terrorist financing -

銀行をご利用のお客さまへのお知らせ

日本および国際社会がともに取り組まなくてはならない課題として、マネー・ローンダリングおよびテロ資金供与対策の重要性が近年益々高まっております。銀行は、関係省庁と連携しながら、複雑化・高度化するマネー・ローンダリングおよびテロ資金供与の手口に対応し、有効に防止することが出来るように対策を進めております。

こうした中、金融庁は、2018年2月に、金融機関等における実効的なマネー・ローンダリングおよびテロ資金供与対策の基本的な考え方を明らかにした「マネー・ローンダリング及びテロ資金供与対策に関するガイドライン」を策定、公表しました。

これに基づき、お客さまとのお取引の内容、状況等に応じて、追加でのご確認など、次のような対応をさせていただく場合がありますので、ご理解、ご協力をお願いいたします。

お客さまへのお願い事項

- ✓ 追加のご確認をさせていただくお取引や、確認方法、確認内容は銀行によって異なる場合があります。
- ✓ 追加のご確認等のため、通常よりお手続きのお時間をいただく場合があります。
- ✓ 特定の国に居住・所在している方等とのお取引等をされる場合は、資産・収入の状況等を確認させていただくことがあり、その際に、従来とは異なる資料のご提示や質問へのご回答をお願いする場合があります。
- ✓ お客さまとのお取引の内容、状況等に応じて、過去にご確認させていただいた、お客さまの氏名・住所・生年月日や、お取引の目的等を、銀行の窓口や郵便等により再度ご確認させていただく場合や、各種書面等のご提示をお願いする場合があります。また、各種質問の内容やご依頼する各種書面等は、銀行によって異なる場合があります。
- ✓ 各種質問へのご回答やご依頼した資料のご提出について、ご回答の状況やお取引の内容にもとづき、やむを得ず新規のお取引をお断りさせていただく場合があります。また、既にお取引のあるお客さまにおかれましても、ご回答の状況やお取引の内容および預金規定等にもとづき、やむを得ずお取引を制限等させていただく場合があります。
- ✓ 詳しいことは、お取引銀行の窓口にお問い合わせください。また、本件に関し、お取引銀行の窓口へのお問い合わせ後もお尋ねしたいことがありましたら、下記までお問い合わせください。

● 全国銀行協会相談室

電話番号：0570-017109 または 03-5252-3772

受付日：月～金曜日（祝日および銀行休業日を除く） 受付時間：午前9時～午後5時

● 金融庁 金融サービス利用者相談室

電話番号：0570-016811 または 03-5251-6811

受付時間：平日午前10時～午後5時



一般社団法人
全国銀行協会



金融庁
Financial Services Agency

JFSA's Major Activities in September (September 1 to September 30, 2022)



- [Trends in High-Speed Trading \(September 30, 2022\)](#)
- [Publication of "Supervisory Guidance on Climate-related Risk Management and Client Engagement" \(full text\) \(September 29, 2022\)](#)
- [The first meeting of the Working Group on Corporate Disclosure of the Financial System Council \(September 28, 2022\)](#)
- [Publication of the summary from "The JFSA Strategic Priorities July 2022-June 2023" \(September 26, 2022\)](#)
- [Joint session of the 50th general meeting of Financial System Council and the 38th meeting of Sectional Committee on Financial System \(September 26, 2022\)](#)
- [Updated list of issuers of gift certificates in repayment procedures based on the 'Payment Services Act' \(September 15, 2022\)](#)
- [Contribution of "JFSA's approach to climate-related financial risk management" to the Eurofi Magazine \(September 14, 2022\)](#)
- [Contribution of "Three major policy perspectives for financial regulators regarding crypto-assets" to the Eurofi Magazine \(September 14, 2022\)](#)
- [Publication of the "Guidelines for Creating, Recordkeeping and Reporting of Transaction Information specified in Article 4\(1\) of the Cabinet Office Order on the Regulation of Over-the-Counter Derivatives, etc. \(Draft\)" - Open for Public Comments \(September 12, 2022\)](#)
- [The 3rd Japan-China Capital Markets Forum was Held Online \(September 7, 2022\)](#)

- JFSA's official English Twitter account
https://twitter.com/JFSA_en



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- Please send your opinions using the following email address to the Public Relations Office's personnel in charge of Access FSA.

E-mail : fsa_kouhou@fsa.go.jp

Editorial Postscript

For this issue, I interviewed Mr. FUJIMARU Satoshi who was appointed State Minister for Financial Services in August.

From the outset of the interview, the State Minister passionately discussed the vitalization of Japan's financial markets and his enthusiasm about the fundamental expansion of the NISA program subjected to the FSA's tax reform requests, using reference materials.

Although the interview took place in the late evening, the State Minister answered my various questions beyond the scheduled time, saying that it was still okay.

This issue failed to cover the whole of the interview due to editorial constraints, but I think it conveyed the enthusiasm and characteristics of State Minister FUJIMARU. Details of the fundamental NISA expansion request are mentioned in the address by Minister SUZUKI to the National Securities Industry Convention 2022 and provided in a policy commentary corner on this issue. I would be happy to see many people reading these articles.

I thank you for reading this month's Access FSA.

MORIYA Takayuki, Director,
Public Relations Office, FSA