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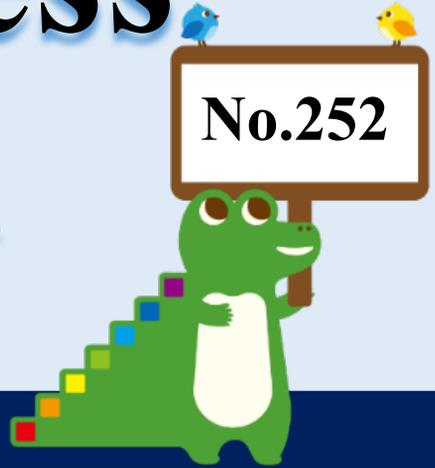
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Holding of the Launching Ceremony of Japan Financial Literacy and Education Corporation (J-FLEC)

Overview of J-FLEC

In April this year, the Japan Financial Literacy and Education Corporation (hereinafter “J-FLEC”) was established. J-FLEC is an authorized corporation established under the Act on the Provision of Financial Services and the Development of the Accessible Environment Thereto to provide opportunities for financial and economic education from a neutral standpoint as a whole nation.

With the start of the new NISA in January this year, some people may have more opportunities to think about asset formation. However, the financial and economic environment is changing on a daily basis, and each citizen has a life stage and plan that differs from others. Therefore, it is essential to enhance financial literacy in order for each citizen to be able to appropriately select asset-building measures that suit the citizen, while taking into account the risks associated with investment.

In the future, J-FLEC will dispatch lecturers to schools, companies, community centers, etc., across the country, provide free individual consultations to provide advice according to individual asset status and life stage, certify and publicize neutral advisors, and proceed with other initiatives. The public and private sectors will work together to provide financial and economic education opportunities that meet the needs of each citizen for a wide range of age groups.

Holding of the J-FLEC Launching Ceremony

J-FLEC entered full-scale operation in August this year. To mark the start of the full-scale operation, the J-FLEC Foundation Ceremony was held on August 2, attended by the Prime Minister, Mr. Kishida, the Deputy Chief Cabinet Secretary, Mr. Murai, the Parliamentary Vice-Minister of the Cabinet Office, Mr. Kanda, and the Commissioner of the Financial Services Agency, Mr. Ito.



Prime Minister Kishida receiving a welcome
Photo source: Cabinet Public Affairs Office

At the J-FLEC Launching Ceremony, Prime Minister Kishida visited the telephone consultation room where individual consultations are provided by J-FLEC certified advisors, gave a briefing to J-FLEC staff, and then held a meeting with relevant organizations on financial and economic education.



Prime Minister Kishida inspecting the
individual consultation room
Photo source: Cabinet Public Affairs Office



Prime Minister Kishida giving a briefing to J-FLEC staff
 Photo source: Cabinet Public Affairs Office

In the briefing given to J-FLEC staff, Prime Minister Kishida said, "creating an environment in which citizens can receive advice with peace of mind is an important policy of the government. I urge you to promote activities from the perspective of citizens to improve their financial literacy."



Prime Minister Kishida giving a briefing to J-FLEC staff
 Photo source: Cabinet Public Affairs Office

In addition, the meeting of relevant organizations on financial and economic education was attended by, in addition to the government, relevant organizations, including the Bank of Japan, Japan Securities Dealers Association, the Japanese Bankers Association, the Investment Trusts Association of Japan, the Trust Companies Association of Japan, the Japan Association for Financial Planners, the General Insurance Association of Japan, and the Life Insurance Association of Japan, as well as participants of the Small Group Talk on NISA and Financial and Economic Education held at the Prime Minister's Office of Japan in April this year. Prime Minister Kishida stated that it was important for the public and private sectors to work together to provide appropriate financial and economic education to a wide range of generations, centering on J-FLEC, and that "high-level meetings on financial and economic education" would be held regularly from this meeting as the first meeting.



Meeting of relevant organizations on financial and economic education
 Photo source: Cabinet Public Affairs Office

The Financial Services Agency believes that it is important for the national government as a whole, including local governments, to provide a wide range of people with opportunities to receive financial and economic education from a neutral standpoint. The public and private sectors, led by J-FLEC, will work together to improve citizens' financial literacy.



Meeting of Directors-General of Local Finance Bureaus – Speeches by State Minister Ibayashi and Parliamentary Vice-Minister Kanda –

On Wednesday, August 7, the first meeting of director generals of Local Finance Bureaus for the current program year* was held, and the State Minister of the Cabinet Office, Mr. Ibayashi and the Parliamentary Vice-Minister of the Cabinet Office, Mr. Kanda addressed the participants.

Outline of the speech by State Minister Ibayashi

With regard to intermediation and support for M&As by regional financial institutions, there are growing expectations that regional financial institutions will be more active in supporting M&As, which are becoming increasingly important as a means of corporate growth and smooth business succession, as part of the further exercise of their consulting functions for business operators. Under this background, the Financial Services Agency has decided to revise guidelines for supervision to encourage regional financial institutions, etc., to actively engage in M&A support for client companies and develop business management systems for this purpose, as well as to require that regional financial institutions, etc., explain to business owners how they can increase their chance of being released from personal guarantees by business owners, when M&A is detected. The Financial Services Agency, in cooperation with Local Finance Bureaus, will further encourage regional financial institutions to support business operators, including M&A support.

As in the previous year, the Basic Policy on Economic and Fiscal Management and Reform, which was recently decided by the Cabinet, incorporated initiatives for promoting Japan as a leading asset management center, as an important government policy. The government aims to create an investment chain in which households' cash and deposits are invested and the results of corporate value improvement are returned to households, leading to further investment and consumption. With regard to individual measures, the government recently announced the Policy

Package to Achieve Special Zones for Financial and Asset Management Businesses, including the target areas of the special zones, and specific initiatives by the national and local governments. In addition, to strengthen information dissemination and communication to the outside world, Japan Weeks will be held from September 30 to October 4 this year as a core week for the second time following last year, and an event to launch the Asset Management Forum will be held on October 3. Local Finance Bureaus are encouraged to contact the Financial Services Agency if they hear from financial institutions in their jurisdiction about their views on Japan as a leading asset management center, or about events planned during Japan Weeks.



Photo: State Minister Ibayashi delivering a speech

Ministries and agencies are required to streamline their employees to a certain extent every year, including the Financial Services Agency and Local Finance Bureaus. On the other hand, the supplementary resolution on the Act on the Promotion of Cash Flow-Based Lending passed in the last Diet session also stipulates that the government should make efforts to secure human resources in Local Finance Bureaus, improve the specialization of employees, and secure necessary organizations and positions.

* The FSA delegates part of its authority over the inspection and supervision of regional private financial institutions, etc. to the 11 Local Finance Bureaus (including the Okinawa General Bureau of the Cabinet Office) based on laws and regulations. In order to ensure sufficient cooperation between the FSA and the Local Finance Bureaus, Directors-General of Local Finance Bureaus and FSA officials meet once every three months to discuss a variety of issues.

The Financial Services Agency will continue to work even more closely with you, including supporting the development of systems for Local Finance Bureaus. We ask for your continued understanding and cooperation for the smooth implementation of financial administration.

Outline of the speech by Parliamentary Vice-Minister Kanda

In terms of customer-oriented business operations and financial and economic education, it is important to thoroughly implement customer-oriented business operations when selling financial products, also from the perspective of Japan as a leading asset management center. With a view to creating an environment in which households can purchase financial products with peace of mind, the Financial Instruments and Exchange Act, etc., were partially amended last year to make it obligatory to conduct business in a sincere and fair manner while taking into account the best interests of customers, etc. Preparations are currently underway for the enforcement of those Acts. Financial institutions are expected to work on the further advancement of customer-oriented business operations by returning to basics, whether they are able to explain and sell financial products that are appropriate for each customer in light of their knowledge and experience in an easy-to-understand manner so that customers can understand them. In this program year, we intend to conduct dialogue and monitoring with financial institutions in cooperation with Local Finance Bureaus.



Photo: Parliamentary Vice-Minister Kanda delivering a speech

In addition, in order to ensure the provision of high-quality customer-oriented services, it is important to enhance the financial literacy of citizens and encourage them to choose appropriate financial products, in addition to initiatives by financial institutions. From this perspective, we will provide citizens with opportunities to receive financial and economic education from a neutral standpoint, centering on Japan Financial Literacy and Economic Education Corporation, commonly known as J-FLEC, established in April this year. J-FLEC has been in full operation since August, and a launching ceremony was held on August 2 with Prime Minister Kishida in attendance. I would like Local Finance Bureaus to continue efforts to promote and strengthen financial and economic education in cooperation with J-FLEC.

As for measures against financial crimes, there is no time to lose, as the number of victims of not only phishing and special frauds but also investment fraud and romance fraud via SNS have recently increased sharply. In particular, financial institutions in various regions, both large and small, throughout the nation are being used for financial crimes, and this serious situation cannot be allowed to be left unattended. Recently, the government compiled the "Comprehensive Measures for Protecting People from Fraud". The Financial Services Agency is working swiftly to implement various measures included in the Comprehensive Measures, such as raising awareness among citizens, and taking measures against unauthorized use of bank accounts, including corporate accounts. In promoting such measures against financial crimes, it is essential that Local Finance Bureaus, which have good knowledge of each local situation, and can take appropriate measures in a timely manner according to the actual situation cooperate with us. The Financial Services Agency would like to develop an environment in which citizens do not become victims of financial crimes, together with Local Finance Bureaus. We ask for your cooperation.

At the meeting of director generals of Local Finance Bureaus, in addition to addresses by the State Minister and the Parliamentary Vice-Minister, director generals of Local Finance Bureaus and senior officials of the Financial Services Agency exchanged views on issues such as immediate problems in financial

administration and the Financial Services Agency's initiatives. We shared our understanding of these issues with director generals of Local Finance Bureaus, and confirmed that the Financial Services Agency and Local Finance Bureaus will continue to work together on these issues.



（ Photo: Meeting of Directors-General of Local Finance Bureaus ）

Status of Use of REVICareer and Future Policy

YAMAZAKI Aya, Supervision and Planning Counsellor, Human Resources Matching Promotion Office, Planning and Management Division, Supervision Bureau

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1. Rapid Increase in the Use of REVICareer

The Financial Services Agency is implementing the Management Personnel Matching Promotion Project for Local Companies. For this project, Regional Economy Vitalization Corporation of Japan (REVIC) has developed and been operating since October 2021 a human resources platform called REVICareer, which is designed for local financial institutions to match employees of large companies that want to play an active role in local companies with small and medium-sized companies that need to hire management personnel.

The three objectives of this project are (1) to secure managerial personnel at small and medium-

sized companies in the region, (2) to promote human resource matching by local financial institutions, and (3) to support the second career of human resources at large companies. Through these objectives, the project supports the creation of new human resources flows from large companies to small and medium-sized companies.

With cooperation from local financial institutions and many other stakeholders, as of the end of July 2024, the cumulative number of matches exceeded 100, and the number of registrants, job postings, and registered financial institutions have been steadily increasing (Chart 1).

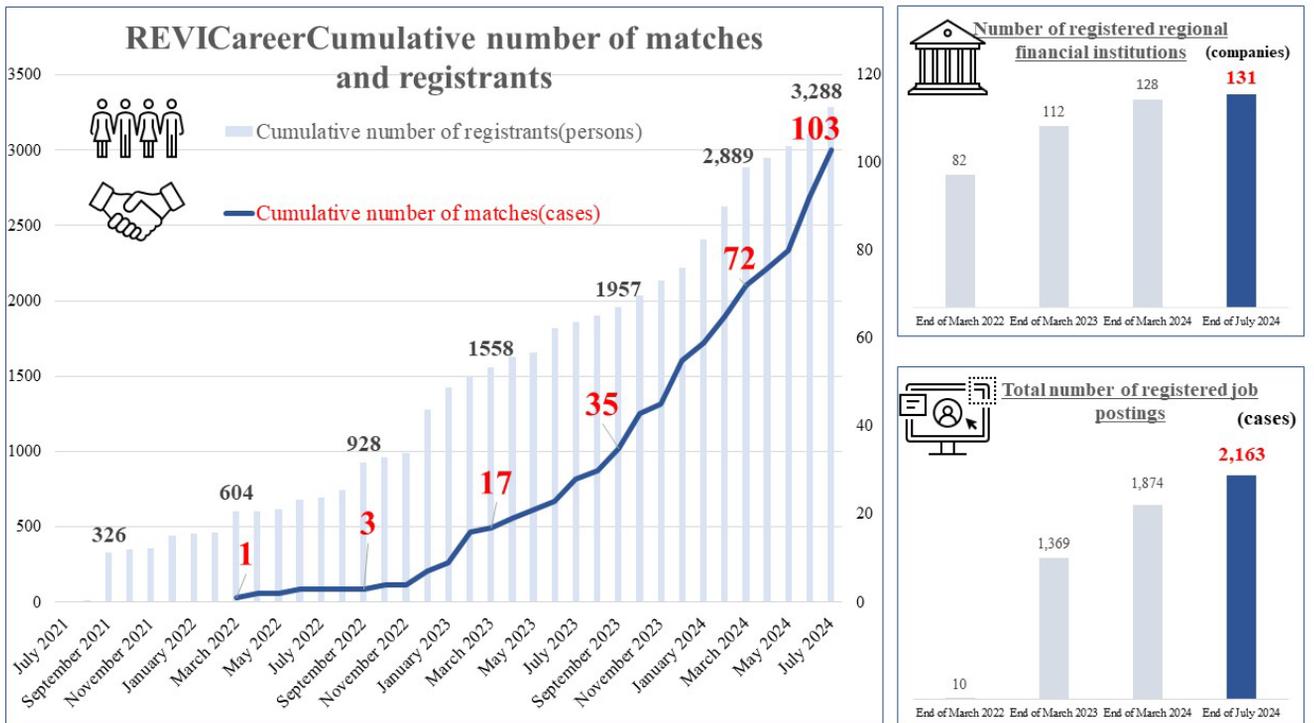


Chart 1: Achievements of REVICareer

2. Advantages of Use of REVICareer

The three main advantages of using REVICareer are explained below.

The first is that human resources at large companies who aspire to be active in local companies are registered. (Note: Large company means a corporation with capital of 1 billion yen or more or with more than 2,000 regular employees.)

At present, the industry types, affiliated companies, fields of expertise, age groups and other characteristics of registrants are diversified. For example, industry types cover manufacturing, information and communications, distribution, broadcast advertising, real estate and construction, and consulting, including foreign-affiliated Japanese corporations. In addition, many people in their 40s and 50s are registered, but the number of people in their 20s and 30s is also increasing rapidly.

There is no other database dedicated to human resources at local-oriented large companies, and it seems easy to find human resources that meet the needs of local companies. Furthermore, only human resources who have passed the screening of identity verification and career history at large companies are registered, and since the database is a human resources database in which highly reliable information is registered, it is possible to use it without worry when making proposals to important business partners.

The second is the system of providing benefits of up to 5 million yen to hiring companies. As there is a large gap in treatment between large companies and local companies, a system for providing benefits of up to 5 million yen as 30% of salary for hired personnel for up to two years can be used to compensate for costs, including the cost of hiring management personnel.

Local companies that have made use of the benefits commented, "by offering good conditions, we were able to attract more excellent human resources than expected," and "we were able to enhance welfare such as housing." The use

of benefits by those companies in conjunction with management personnel matching is expected to contribute to strengthening relationships with their business partners, as well as their management capabilities.

The third is the system that makes it easier for local financial institutions to demonstrate their strengths. Local financial institutions acting as intermediaries in management personnel matching, which is custom-made matching of individual cases, are beneficial to both recruiting companies and job seekers.

All recruiting companies registered in REVICareer are business partners of local financial institutions. Local financial institutions understand management issues, human resource needs, financial conditions, etc., through means such as interviewing the owners of business partners. Recruiting companies can receive support from local financial institutions throughout the process of defining human resource requirements and carrying out recruiting activities, and even follow-up process after hiring.

Local financial institutions, which have a wide range of corporate information, can also be a reliable and valuable source of information for job seekers considering changing jobs to local companies.

In this way, local financial institutions act as intermediaries for human resources, enabling both parties to proceed with matching with peace of mind.

3. Future Initiatives

As mentioned above, the use of REVICareer is steadily increasing, but at present, it is still a "point," and its nationwide spread is a future issue.

Accordingly, we will continue to enhance the quality and quantity of our human resources database. To this end, for example, we intend to strengthen awareness and publicity through social media and in-house briefings at large companies, mainly for registered individuals who are highly motivated to change jobs to local companies.

In this fiscal year, we will also visit local financial institutions and hold direct dialogue with them to learn about circumstances and needs in each region in Japan, and further strengthen our initiatives to support the use of REVICareer through means such as holding seminars and

providing individual support. At the end of May 2024, we published REVICareer Management Personnel Matching Case Studies in cooperation with 10 local companies, including banks, in various areas of Japan, which have actually used this project. We will introduce this collection of case studies to relevant parties on various occasions. Through these initiatives, we will strive to make further use of REVICareer by local financial institutions that have already been registered, and to encourage local financial institutions that have not yet been registered to consider registration.



REVICareer Management Personnel Matching
Case Studies

For details, visit also <https://www.revicareer.jp/case-study-compilation/2024-vol1.pdf>



Children's Visit to Kasumigaseki (Government District)

The Children's Visit to Kasumigaseki was held over two days, on August 7 and 8.

This event is an initiative in which the central government ministries and agencies in Kasumigaseki, mainly the Ministry of Education, Culture, Sports, Science and Technology, participate with the aim of providing children with an opportunity to deepen contact between parents and children through workplace tours and experience activities to learn more about society during summer vacation.

The Financial Services Agency also holds events for elementary school students every year. This year, the program included financial and economic education lectures divided into upper and lower grades in order to help children understand the role and importance of money in an easy-to-understand manner.

1. Financial Services Agency Work Talk

First, in order to familiarize children with the Financial Services Agency's work, employees working in the field gave explanations on the Financial Services Agency's work, titled "Financial Services Agency work talk." On the day of the event, employees from supervisory, international and policy divisions took the stage to tell children about the roles of each division and what kind of work they usually do, including some familiar topics. Children learned about the diverse roles that the Financial Services Agency plays and the atmosphere in the workplace through work explanations provided by persons on the inside of the Financial Services Agency. At the question corner, children asked questions to employees from their perspective, also giving the employees an opportunity to learn more.



Photo: Financial Services Agency work talk

2. Financial and Economic Education Lecture

A financial and economic education lecture was provided by Kid's Money Station, which specializes in financial education. This time, we held a lecture on "money in Japan and money in the world" for upper grade students, and "kids money sugoroku (board game)" for lower grade students.



[\[Kid's Money Station\]](#)

This organization was established with the thought that children would learn the importance of goods and money and have the power to become independent. Approximately 300 lecturers are enrolled nationwide, and many lectures on money education, career education, and consumer education are provided at local governments, schools and other entities for children and parents.

Aug
7

Money in Japan and Money in the World

- KOMINE Yoko and NAKAMOTO Tamae,
Lecturers -

In "learning money from hamburgers," children became aware that the ingredients come from various countries and enjoyed learning about the relationship between Japanese money and world money and its impact through a talk about what happened to the price of hamburgers when the yen appreciated or depreciated, and a game to determine exchange rate fluctuations with dice.

In addition, while introducing foreign cultures, the lecturers carefully taught children about the banknotes of each country and their characteristics. On the day, the children felt the difference from Japanese money as they actually picked up real foreign bills.



Photo: "Money in Japan and money in the world"

"Kids Money Sugoroku (board game)"

- KITAMURA Yuki and HAGIWARA Eiko,
Lecturers -

In the lecturers' play A Day in the Life of Bakeko-chan, children learned that money (*okane*) can be used in various ways. Participants also took on the sugoroku game and enjoyed learning about good and bad ways to use money through various happenings and quizzes related to money (*okane*) in the game. It was an opportunity to learn about financial words such as "contribution (*kifu*)," "interest (*risoku*)," "insurance (*hoken*)," and "investment (*toshi*)," which are difficult for children to understand.



Photo: Kids Money Sugoroku (board game)

3. Special Event: Courtesy Visit to the Parliamentary Vice-Minister, Mr. Kanda

As a special program on August 7, children paid a courtesy call to Mr. Junichi KANDA, the Parliamentary Vice-Minister of the Cabinet Office. The participants were somewhat nervous when they entered the office of the Parliamentary Vice-Minister, but they had a peaceful time, receiving a message from the Parliamentary Vice-Minister, Mr. Kanda and sitting in the chair of the Parliamentary Vice-Minister.



Photo: Courtesy visit to the Parliamentary Vice-Minister, Mr. Kanda

4. Tour of the Minister's Office in the Financial Services Agency and Tribunal

As a tour of the Financial Services Agency, participants were taken to the Minister's Office as the office of the Minister for Financial Services, and the tribunal where the trial proceedings for violations of the Financial Instruments and Exchange Act, etc., are held. In the Minister's Office, not only the children but also their guardians enjoyed taking commemorative photos by sitting on the Minister's chair.



Photo: Visit to the Minister's Office

5. Experiencing the Weight of 100 Million Yen Banknotes and Gold Bullion

On the day of the event, banknotes worth 100 million yen* (10 kg) and gold bullion* (12.5 kg) were set up at the venue, and children were allowed to touch them freely. The children were surprised by the weight, but enjoyed the experience with their parents. A face cutout board of the new 10,000 yen note issued in July this year was also installed, and participants took photos to commemorate the occasion. *All are imitations.



Photo: The experience corner

Children actively participated in all events. The participants said, "we learned a lot about money," and "we were able to learn about the Financial Services Agency." Some participants used this opportunity as a topic for free research during summer vacation. Thank you for your participation and applications.

JFSA's Major Activities in July (July 1 to July 31, 2024)

- [Discussion Paper on Lifecycle Management of Products, Services and Activities \(July 26\)](#)
- [Memorandum of Cooperation in the area of banking supervision with De Nederlandsche Bank \(July 26\)](#)
- [Stewardship Code : 334 institutional investors have signed up to the Principles for Responsible Institutional Investors as of June 30, 2024 \(July 10\)](#)
- [Assistant Commissioner of the International Affairs Office re-elected as Co-Chair of FATF Policy Development Group \(July 9\)](#)
- ["the Code of Conduct for ESG Evaluation and Data Providers" : 26 ESG Evaluation and Data Providers have endorsed the "Code of Conduct" as of June 30, 202 \(July 8\)](#)
- ["Insights from Dialogue on Enhancing Sustainability Investment Products" Announced \(July 5\)](#)
- [Memorandum of Cooperation with the Ontario Securities Commission \(July 5\)](#)
- [Publication of the summary of "Annual Report on Insurance Monitoring 2024"\(July 3\)](#)
- [Progress in Common Data Platform and Next Steps \(July 1\)](#)
- [Updated : Initiatives by the financial industry to enhance their asset management businesses \(July 1\)](#)

JFSA's official English X(formerly Twitter) account
https://x.com/JFSA_en



We are promoting
information dissemination
using X (formerly Twitter)!

Editorial postscript

How did everyone spend the summer vacation? It was personal, but I traveled to Bangkok and Chiang Mai in Thailand this month. The idyllic provincial city of Chiang Mai is famous for its curry ramen called Khao Soi, and there are many other dishes from northern Thailand that you will not find in Japan.

The capital city of Bangkok, on the other hand, has developed as a city with several large shopping malls whose scale and interior design don't even exist in Tokyo, and more railway lines than 10 years ago. I heard that the social media culture is developing along with the spread of smartphones.

As part of its digital wallet policy, Thailand aims to provide citizens who meet income and other requirements with digital money that enables them to purchase items other than certain items at certain places, mainly through smartphone applications ^(Note). I wondered if there was a Thai technology that could limit even places and things, and if there was an institutional system that could make this possible.

Note: <https://www.jetro.go.jp/biznews/2024/07/69c1e60a807d77a6.html>



HONDA Koichi, Director of the Public Relations Office, FSA
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