



**Asia-Pacific
Economic Cooperation**

**Asia Region Funds Passport
Joint Committee**

Guidance on Host Economy Laws and Regulations

Today we are releasing our 'Guidance on Host Economy Laws and Regulations relating to the Asia Region Funds Passport' (Guidance).

The Asia Region Funds Passport (ARFP) is intended to create a regional market for collective investment schemes (CISs) by facilitating cross-border offerings across participating economies. It will reduce regulatory duplication for CIS operators by establishing a standardised set of requirements.

The interim Guidance is provided to help CIS operators to make an initial assessment of the requirements under the ARFP, and is not intended to substitute for independent legal advice, which all CIS operators interested in participating in the ARFP should obtain.

The document sets out a number of key regulatory matters applicable to CIS operators seeking entry into Japan, Australia, Korea, New Zealand or Thailand under the ARFP. Matters covered include:

- disclosure
- capital controls
- distribution
- local agents
- access to financial markets to sell exchange traded funds (ETFs)
- privacy and anti-money laundering (AML) legislation.

The material covered in the document is based on the ARFP Joint Committee's understanding of the main provisions of host economies that will likely be applicable to ARFP fund operators under the ARFP regulatory framework.

The intention is to assist potential ARFP fund operators to consider using the ARFP to make offers in host economies.

However, it is not intended to be a comprehensive statement about the host economy laws and regulations applicable to potential ARFP fund operators that may consider using the ARFP. The document is not legal advice and does not replace the need for legal advice.

The document is interim guidance. In some areas the legal requirements that will apply in host economies are not settled. The content of the Guidance should not be regarded as a statement of policy by any of the ARFP economies. The intention is to update the Guidance as the applicable legal requirements become clear and also to take into account industry submissions.

Submissions should address whether further clarification is needed for any particular matter in the interim Guidance. We would also welcome views on the areas of the Guidance that would benefit from discussion.

The consultation will be open for 8 weeks from today, and we suggest that submissions be made to the ARFP regulator in the submitter's economy.

The Guidance and submission details are available at: www.fundspassport.apec.org.