

16 February 2021

Statement on welcoming the Government’s initiative of “Strengthening Japan’s functions as a global financial center” and supporting the Request letter for the amendments to the Financial Instruments and Exchange Act and Investment Trust Law.

The EBC Asset Management Committee welcomes the Japanese Government’s effort of initiating “Strengthening Japan’s functions as a global financial center” plans. This was announced by Prime Minister Suga in his first policy speech in the Diet in October 2020. In this initiative, it is emphasised to promote new entries of foreign asset management companies (“foreign AMs”) and, to support this, the Financial Services Agency (“FSA”) and Local Finance Bureaus (“LFBs”) are establishing the “Financial Market Entry Office”.

The EBC Asset Management Committee would like to express our gratitude to the Government, the FSA and the LFBs and to support this initiative, we would like to encourage continuous efforts to lighten the burden on foreign AMs by the Financial Instruments and Exchange Act (“FIEA”).

Most currently, we are aware that a private round table forum called Tokyo Forum on Asset Management (“TFAM”) submitted request letters (“規制改正の要望”and “外国籍上場投資信託の届出及び運用報告書の作成に関する課題認識と要望”) to amend the laws and regulations and we support these requests and believe they are realistic and very good solutions to lighten the burden created by FIEA which have been preventing foreign asset managers from expanding their business in Japan.

A number of discussions may be necessary going forward, including on what has been seen as hurdles by foreign AMs to promote their business in Japan. EBC has continuously been supportive for the improvement of the regulatory environment of asset managers, and we hope that we will remain an active part of these discussions going forward. The EBC Asset Management Committee supports and expects that the TFAM letter will help to promote the Government’s, FSA and LFBs initiatives.