



MEDIA RELEASE

16 April 2014

Asia Region Funds Passport model released

The Financial Services Council has praised the governments of the Asian region in pushing forward with the Asia Region Funds Passport model which was released today.

Once operational, the Passport will deliver free trade in investment funds for the Asian Region. The Passport establishes Asian regional architecture for free trade and wider consumer choice.

John Brogden, CEO of the Financial Services Council said: "We are particularly pleased with the growing support for the Passport in the Asian Region."

"The Philippines and Thailand have joined the Passport and we expect other countries will follow."

Mr Brogden said the opportunity for countries that sign up to the Passport remains enormous.

"Asia is currently punching below its weight in terms of the share of global funds management activity," he said.

"It has 60 per cent of the world's population but only 12 per cent of the worldwide funds under management. There is significant potential for Asia to increase its share."

Mr Brogden also said that greater trade in financial services and cross border investment flows must be a goal for Asia.

"Under the umbrella of APEC, countries which have signed up for Asia Region Funds Passport will have the opportunity to develop a common set of regulations. Once operational, the Passport will permit investment funds domiciled in one country to be sold directly to retail investors in participating jurisdictions, and vice versa."

At the APEC Finance Ministers' meeting in Bali in September last year, four countries – South Korea, New Zealand, Singapore and Australia – agreed to develop a pilot of the Passport.

Since September, governments and industry have been working in Asia to expand the list of APEC economies prepared to join the Passport pilot.

"The release of the Passport model is a key milestone in moving towards liberalised trade of investment funds in Asia," Mr Brogden said.

The FSC has acknowledged successive Australian governments for their support of the Passport.

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For further information contact: Robyn Tolhurst, FSC Director of Communication, on 0411 177 773 or rtolhurst@fsc.org.au

About the Financial Services Council

The Financial Services Council represents Australia's retail and wholesale funds management businesses, superannuation funds, life insurers, financial advisory networks, trustee companies and Public Trustees. The Council has over 130 members who are responsible for investing more than \$2.3 trillion on behalf of 11 million Australians. The pool of funds under management is larger than Australia's GDP and the capitalisation of the Australian Securities Exchange and is the third largest pool of managed funds in the world. The Financial Services Council promotes best practice for the financial services industry by setting mandatory Standards for its members and providing Guidance Notes to assist in operational efficiency.