

International Relationships

国際関係

JASDEC is active year-round in international events to guide the rational development of a global settlement infrastructure. Research on overseas trends and information sharing are key elements of a leadership role.



Memorandums of understanding (MOUs) with overseas CSDs

As of the end of March 2012, JASDEC had signed MOUs with a total of 13 CSDs. We are strengthening our cooperative relationships with our MOU partners through active initiatives.

Mutual cooperation with overseas institutions

JASDEC regards research on overseas trends and timely, accurate information exchange with overseas institutions as essential to its ongoing efforts to deal with the many issues that affect securities market infrastructure, such as the globalization of financial and capital markets and the rapid growth of markets in Asia. We actively participate in international forums such as regular CSD meetings and seminars. And, by acting as secretariat for the Asia-Pacific Central Securities Depository Group (ACG) and the

World Forum of CSDs (WFC), we also play a key role in administration. Through these activities, we aim to contribute to the development of securities market infrastructure in Japan and worldwide while also raising the profile of JASDEC.

We are actively developing relationships with organizations with which we have signed memorandums of understanding (MOUs), and we provide various forms of assistance in response to requests from CSDs of emerging nations.

Asia-Pacific Central Securities Depository Group

The ACG was established in November 1997 as a forum for information exchange and mutual cooperation among CSDs in the Asia-Pacific region. In December 2010, an Executive Committee was established at the 14th general meeting to plan and organize activities from medium- to long-term perspectives. JASDEC was elected to the Executive Committee member as convener of the Exchange of Information Task Force, Korea Securities Depository as convener of the New Business Initiative Task Force, National Securities Depository Limited as convener

of the Technical Task Force and China Securities Depository and Clearing Corporation Limited as convener of the Legal Task Force. Central Depository Company of Pakistan Limited, Singapore Exchange Limited and Vietnam Securities Depository were also elected through a general vote. JASDEC Chairman Takeuchi became the first ACG Executive Committee Chairman. JASDEC is committed to demonstrating leadership in ACG activities as Secretariat, and is making efforts to further invigorate ACG.

World Forum of CSDs

The WFC was created in April 2011 at the 11th Conference of CSDs (CSD11), after agreement was reached among leaders of the world's five regional CSD associations. The WFC continues the collaborative activities undertaken by regional associations under the CSD Contact Group during the previous four years. Its function is to strengthen the influence of CSDs and disseminate their shared views as a forum of information exchange and debate on issues that affect all CSDs. The Forum is administered

by a 10-member board made up of chairs and vice-chairs from each regional association. Mr. Mohamed Abdel Salam of Misr for Central Clearing, Depository & Registry (MCDR), Egypt, representing AMEDA (Africa and Middle East Depositories Association) was elected as the Forum's Chairman, with Chairman Takeuchi of JASDEC as Vice-Chairman. JASDEC is acting as the secretariat.

MOUs on information exchange and mutual cooperation with overseas CSDs

As one element of our efforts to build collaborative relationships with CSDs around the world, JASDEC has been following a policy of signing MOUs on the exchange of information and mutual cooperation with overseas CSDs. As of the end of March 2012, JASDEC had signed MOUs with a total of 13 CSDs. We

are strengthening our cooperative relationships with our MOU partners through active initiatives, including regular exchanges of information, cross-training programs involving trainee exchanges and support for CSDs of emerging nations.

Major International Activities in Fiscal 2011

The 11th Conference of CSDs was held in Cape Town, South Africa, hosted by the Africa and Middle East Depositories Association (AMEDA). JASDEC gave a presentation on the theme of "The nature of partnerships amongst CSDs," focusing in particular on information exchange and cooperation among CSDs and CCPs, and collaboration initiatives in the Asia-Pacific region, such as ABMI and the ASEAN Trading Link. Speaking as a panelist in a panel discussion on the theme "The future of financial market infrastructure and the effect on CSDs," Chairman Takeuchi discussed the standardization of CSD operations, the concentration of information, shareholder structures and corporate governance and other aspects and pointed out the pros and cons in conducting risk management.

Conference participants approved the establishment of the World Forum of CSDs (WFC).

11th Conference of CSDs

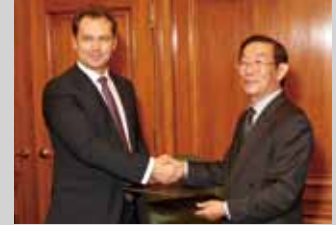
April 13–15



JASDEC participated in the first trilateral meeting under the MOU with SD&C (China Securities Depository and Clearing Corporation Limited) and KSD (Korea Securities Depository) held in Hong Kong. The meeting provided an opportunity for exchanges of views among senior management executives and information exchange among working-level officials. JASDEC also gave presentations on its response to the Great East Japan Earthquake and other topics.

First trilateral meeting for information exchange with China's SD&C and Korea's KSD

July 8



JASDEC signed a memorandum of understanding with the Russia's CSD, NSD (National Settlement Depository) to establish a basis of cooperation and sharing of information towards the development of a closer working relationship.

MOU with Russia's NSD

September 18



September 12

Symposium commemorating 150 years of Japan-Germany friendship

JASDEC participated in a symposium hosted by the Frankfurt School of Finance and Management to commemorate 150 years of friendship between Japan and Germany. Held in Frankfurt on September 12, the symposium focused on the future of Japanese capital markets and the prospects for German investors. The event attracted a large number of attendees representing financial institutions, universities and other organizations in Japan and Germany. There was lively discussion on topics ranging from the development of legal frameworks for Japanese capital markets to investment in Japanese securities. JASDEC gave a presentation on its role and functions in the financial system, including an overview of the securities settlement system in Japan.

September 14

JASDEC Seminar

JASDEC and the local banking association in Luxembourg co-hosted the JASDEC seminar. Held in Luxembourg, the event provided an introduction to JASDEC's activities, especially book-entry transfer systems for stocks and corporate bonds, for an audience consisting of people working in the custody and fund management areas.



September 14-15

13th ACG Cross Training Seminar

The 13th ACG Cross Training Seminar was held in Ulaanbaatar, Mongolia, hosted by MSCH&CD (Mongolian Securities Clearing House & Central Depository Co., Ltd). As convener of the Exchange of Information Task Force, JASDEC assisted MSCH&CD to run the event. At the seminar, presentations were made on the results from an issuer services survey, on the current situation and future issues pertaining to CSD linkage, on legal applications in cross-border securities transactions, and on the responses to the Great East Japan Earthquake.





The 15th ACG General Meeting was held in Seoul, Korea, hosted by KSD. JASDEC, as ACG Secretariat, supported KSD, and decisions were made on ACG Activity Plan 2012-13, activities for each task force, website upgrading and other matters. At the CSD's "Competing for Collaboration" panel, described JASDEC's policy of expanding operations to meet participant demand in the context of our legal and governance framework.

15th ACG General Meeting

November 2-4

JASDEC and KSD held the trainee exchange program under their MOU on information exchange and mutual cooperation. Both institutions accepted trainees, who were mostly young employees. The program enabled better reciprocal understanding by providing the trainees with a general overview of the activities of each institution, and better networking among employees.

Trainee Exchange with KSD

November 14-18,
November 28-December 2

10

11

12

2012.1

2

3

October 4-5

Conference Hosted by European Central Bank

Chairman Takeuchi was invited to ECB's "Conference on Securities Settlement in 2020: T2S and beyond" (held in Frankfurt, Germany) as a panelist, and presented on themes in recent trend in Asian Securities Markets.



September 18, September 19-23

1st WFC Meeting/Sibos 2011

The 1st World Forum of CSDs meeting was held in Toronto, Canada. JASDEC was given responsibility for planning and administration as the secretariat of the WFC, and Chairman Takeuchi served as vice-chairman at the meeting. Updates on activities in each regional CSD association were presented and the WFC's work plan toward the 12th Conference of CSDs (May 2013) were discussed. JASDEC also participated in Sibos 2011 held in Toronto from September 19.

March

Completion of Final Report for ABMF Phase 1

The ABMI (Asian Bond Markets Initiative), under the Meeting of the Finance Ministers and Central Bank Governors of the ASEAN+3 group, comprises four Task Forces (1: charged with promoting the issuance of local-currency-denominated bonds, 2: facilitating the demand for local-currency-denominated bonds, 3: improving the regulatory framework and 4: improving the related infrastructure of the bond markets). The ABMF (ASEAN + 3 Bond Market Forum) was established under Task Force 3 (improvement of regulatory frameworks), and two sub-forums were held. Sub-Forum 1 sought to identify regulatory barriers relating to bond transactions in general, while Sub-Forum 2 was concerned primarily with identifying cross-border settlement operations. The results of these deliberations were compiled into a final report, which was published in April 2012.

JASDEC has participated in the ABMF as the Japanese representative, and is actively participating in Sub-Forum 2 as the co-vice-chair.