



31 March 2022

EU-Asia-Pacific Forum on Financial Regulation - Joint Statement – 25 March

The sixth meeting of the EU-Asia-Pacific Forum on Financial Regulation (the Forum) took place via videoconference on 25 March 2022. Since its launch in 2016, the Forum has become a regular venue for discussing and assessing financial regulatory and supervisory developments of mutual interest, in order to enhance cross-border cooperation between EU authorities and competent authorities from Asia Pacific jurisdictions.

Participants discussed the impact of the current geopolitical developments on the EU, Asia Pacific and global financial systems and noted the high level of uncertainty in this context. The participants also discussed developments related to sustainable and digital finance. A number of specific regulatory and supervisory issues were also discussed.

The sixth Forum was co-chaired by Mr. Takashi Nagaoka, IOSCO APRC Chair and Deputy Commissioner for International Affairs of the Japanese Financial Services Agency (JFSA), and Mr. Ugo Bassi, Director, Financial Markets, DG FISMA, European Commission. Given the focus on matters relating to securities markets, the JFSA and the European Commission were joined by Ms Verena Ross, Chair of the European Securities and Market Authority.

Participants discussed trends in the global, EU and Asia Pacific financial services sectors now that the COVID-19 pandemic entered its third year and the current geopolitical situation creates significant uncertainty and risks.

During the Forum, the participating authorities presented and discussed several main issues of global interest currently for financial regulators, such as the financial regulatory measures and the economic recovery in the context of the Covid19 crisis, developments related to cross-border regulatory developments, sustainable finance as well as digitalisation.

Participants discussed developments related to cross-border regulatory developments. In that context, the European Commission gave a state of play of the discussions regarding its 2020 proposal for a Digital Operational Resilience Act (DORA). Both parties exchanged views on respective regulatory updates. They also discussed operational resilience in the context of cyber risk.

Participants exchanged notes on developments in the area of sustainable finance within their respective jurisdictions. They discussed the importance of developing baseline global reporting standards under the International Financial Reporting Standards Foundation allowing flexibility for interoperability with national and regional requirements. They also introduced their taxonomy initiatives respectively, highlighting the need for international coherence. They also took stock of their cooperation in the context of the International Platform on Sustainable Finance as well as the G20 Sustainable Finance Working Group.

Participants addressed developments in digital finance. Parties also exchanged views on the potential risks from crypto-assets for the international financial system and market integrity

given their cross-border nature and rapid technological development. In that context, the European Commission gave a presentation of the EU proposed Regulation on Markets in Crypto-Assets (MiCA). APRC members gave a presentation on recently published IOSCO Decentralized Finance Report as well as their perspective on digital asset fraud and their regulatory approach.

Participants reaffirmed the importance of the cross-border cooperation between regions and agreed to engage further on the various topics discussed during the meeting, as well as on other topics of mutual interest ahead of the next Forum meeting.