



28 February 2024

## **EU-Asia-Pacific Forum on Financial Regulation – Joint Statement – 28 February**

**Since 2016, the EU-Asia-Pacific Forum brings together policymakers and financial authorities from the EU and Asia Pacific jurisdictions on an annual basis to discuss international cooperation in financial regulation and supervision.**

**The 8<sup>th</sup> edition of the EU-Asia-Pacific Forum took place in Hong Kong on Wednesday 28 February 2024, hosted by the Securities and Futures Commission of Hong Kong (SFC). As the host of the 8th EU-Asia-Pacific Forum, Ms. Julia Leung, CEO of the Hong Kong Securities and Futures Commission opened the event and welcomed EU officials and Asia Pacific regulators to the meeting. She emphasised the importance of close collaboration between the Asia Pacific region and the EU to progress toward mutual climate goals and to facilitate open, transparent and stable markets.**

**This year's Forum focused on two main themes: sustainable finance and digital finance. The meeting covered questions related to sustainable finance, such as sustainability reporting obligations, transition planning, Environmental, Social and Governance (ESG) ratings, and other areas of cooperation. The participants furthermore discussed key digital finance topics, including crypto-assets, operational resilience, and artificial intelligence.**

The 8<sup>th</sup> EU-Asia-Pacific Forum was co-chaired by Mr Shigeru Ariizumi, IOSCO (International Organization of Securities Commissions) APRC (Asia-Pacific Regional Committee) Chair, Vice Minister for International Affairs of the Financial Services Agency (JFSA), and Mr Ugo Bassi, Director, Financial Markets, DG FISMA, European Commission. Ms Verena Ross, Chair of the European Securities and Market Authority (ESMA), and Ms Paulina Dejmek Hack, Director General Affairs, DG FISMA, European Commission, also participated as lead discussants of the EU delegation. 19 jurisdictions of the International Organization of Securities Commissions Asia-Pacific Regional Committee (IOSCO APRC) took part in the Forum.

The event has been an opportunity to discuss cross-border cooperation in financial regulation and supervision, and to foster solutions for global issues. First, participants from the different regions provided updates on important

trends and key regulatory and market developments in their respective jurisdictions.

Participants discussed trends in the global, EU and Asia Pacific financial services sectors. Risks to the financial sector in the EU and the Asia Pacific have moderated in recent months, but authorities remain watchful. International cooperation, including in international fora, and continued dialogue remain important for monitoring vulnerabilities and enhancing the resilience of the financial system and its ability to withstand shocks.

Participants discussed issues related to sustainable finance, focusing on their respective work on transition finance, sustainability-related financial disclosures, and other sustainability-related topics. The EU representatives gave the state-of-play of the European Sustainability Reporting Standards (ESRS), as well as the latest developments to promote transition financing, and the recent regulatory developments on ESG ratings that will increase the transparency and integrity of ESG rating activities. The session furthermore allowed to reflect on other opportunities for international cooperation, including in areas such as biodiversity.

Participants indicated a common interest in further exchanges with a view to scaling up sustainable finance in both the Asia-Pacific region and the EU.

Participants discussed recent major regulatory and market developments related to crypto-assets, tokenized securities, and operational resilience. The EU made a presentation on the Markets in Crypto-Assets regulation (MiCA), which is currently in the implementation stage. The EU representatives also presented the work on the implementation of the Digital Operational Resilience Act (DORA) regulation. In addition, participants considered the impact of increased use of artificial intelligence in financial markets. The EU representatives provided an update on the EU's creation of a regulatory framework for responsible use of artificial intelligence across sectors.

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 the other topics of mutual interest in view of the next Forum meeting.