

Welcome to our Regulatory Newsletter

January 2023

Executive Summary

In Singapore, the MAS announced amendments to the Code of Corporate Governance which made changes to the tenure limit for independent directors and mandatory remuneration disclosures for individual directors and CEOs. The amendment will set the tenure limit to a period of no longer than nine years.

Meanwhile in India, the SEBI issued a circular which extended the scope of services which asset management companies (AMCs) can now provide. Under the prior version of the guidelines, AMCs were only allowed to provide management and advisory services to a limited number of categories of financial portfolio investors (FPIs). Following requests from AMCs in the industry, SEBI have revised the provisions and will now allow AMCs to provide certain services to FPIs operating in international financial services centers provided they adhere to the proper regulations.

Click onto a region of your interest to read the corresponding regulatory updates and enforcement actions:



Australia



China



Hong Kong



India



Indonesia



Japan



Malaysia



Philippines



Singapore



South Korea



Taiwan



Thailand



Vietnam



Australia

On 9 January 2023, the Australian Prudential Regulation Authority (“APRA”) issued an announcement to locally incorporated authorised deposit-taking institutions (ADIs) subject to Liquidity Coverage Ratio (LCR) requirements which states that the aggregate Committed Liquidity Facility (CLF) has been phased to zero as scheduled on 1 January 2023. The CLF was initially introduced by the Australian government in 2015 due to low levels of issued government debt. APRA consider there to now be a sufficient volume of liquid assets in Australian markets for ADIs to meet their obligations and there is no further need for the CLF to exist. For more information, please click [here](#).

On 17 January 2023, the Australian Securities and Investments Commission (“ASIC”) published a report on small business restructurings for the period spanning January 2021 to June 2022. The report utilizes data from 82 small businesses to draw conclusions and summaries regarding the restructuring processes. The report observes that most of the small businesses implemented the restructuring plans suggested by external practitioners, with a small proportion rejecting such plans due to creditor rejection of the plan or company ineligibility. The report also provides a range of statistics on the proportions of the restructuring plans which were affected, terminated and ongoing. This report follows legislation which was introduced in 2021 which changed the insolvency framework for small businesses. For more information, please click [here](#).

Enforcement

On 5 January 2023, ASIC issued three infringement notices against Black Mountain Energy Limited (BME) for offences relating to greenwashing. BME were required to settle an AU\$39,960 fine issued by ASIC for providing false and misleading statements to the Australian Securities Exchange (ASX) regarding their sustainability. For more information, please click [here](#).

On 9 January 2023, ASIC issued an interim stop order to Vasco Responsible Entity Services Limited (Vasco) from offering a fund to investors due to failures relating to the Target Market Determination (TMD). Vasco were found to have been offering a fund with an underlying strategy with a high level of risk to investors who were not suitable. For more information, please click [here](#).

On 11 January 2023, the Administrative Appeals Tribunal (AAT) upheld ASIC’s cancellation of the Australian Financial Services (AFS) license of Olive Financial Markets Pty Ltd (Olive). ASIC found that Olive had considerable compliance breaches including engaging in misleading and deceptive conduct, issuing false or misleading statements, and failing to act in the best interests of clients. For more information, please click [here](#).

On 16 January 2023, the Adelaide Magistrates’ Court convicted a former financial advisor, Tai Thanh Nguyen, for offences relating to falsification of documents. Mr. Nguyen was found to have falsified seven client documents by adding false signatures and dates in order to present them as legitimate. Mr. Nguyen was also required to pay a AU\$ 1,000 bond in order to ensure his ongoing good behavior. For more information, please click [here](#).

On 25 January 2023, former financial planner Bradley Grimm pled guilty to three counts of engaging in dishonest conduct whilst running a financial services business following an ASIC investigation and a subsequent trial. Mr. Grimm was found to have engaged in dishonest conduct when on five occasions he transferred funds from clients’ Self-Managed Superannuation Funds (SMSFs) to companies which he was the sole director of. For more information, please click [here](#).

On 30 January 2023, ASIC banned Gregory Finerty, the director of Bradford AI, from providing financial services for four years as a result of him conducting financial services without the required AFS license and engaging in deceptive and misleading conduct. Bradford AI leased an automated trading robot designed to work on foreign exchange (FX) platforms, ASIC found that Mr. Finerty had misled clients about the performance of the robot. For more information, please click [here](#).

On 31 January 2023, ASIC cancelled the registration of 374 auditors of self-managed superannuation funds (SMSFs) due to failures in submitting their annual financial statements. This mass cancellation follows an ASIC crackdown on reporting failures amongst SMSF auditors. In August 2022, ASIC communicated to over 1,400 SMSF auditors that they had failed to submit their financial statements, most proceeded to fulfil their obligations with the exception of the 374 who subsequently had their registration revoked. For more information, please click [here](#).

On 31 January 2023, ASIC disqualified Aaron Vasicek from managing companies for five years for conducting illegal phoenix activity in relation to four failed companies. Illegal Phoenix activity involves the transfer of a failing companies’ assets to another company without paying the true market value. Mr. Vasicek was found to have stripped the four companies of assets and transferred them to another company he was connected to for little value. For more information, please click [here](#).



On 31 January 2023, ASIC disqualified Kevin Prakash Verapen from managing corporations for three years as a result of his involvement in the failure of three companies. Mr. Verapen was found by ASIC to have failed to execute his directorial duties with care and diligence, act in the best interests of his clients, and signing documents without reading them in return for payment amongst other offences. For more information, please click [here](#).



Mainland China

On 5 January 2023, The Shanghai Stock Exchange ("SSE") issued a notice entitled "Business Guideline for Issuance and Listing of Shanghai Stock Exchange Corporate Bonds and Asset-Backed Securities ("the Guideline"), which has been implemented since the date of issuance. The Guideline applies to the preparation of application materials and business processing for the issuance and listing of Corporate Bonds (excluding Convertible Bonds), Exchangeable Corporate Bonds, Enterprise Bonds and Asset-Backed Securities. The issuers, administrators and underwriters should strictly follow the relevant regulations. For more information, please click [here](#). (Chinese only)

On 12 January 2023, China Securities Regulatory Commission ("CSRC") identified that rapeseed oil, rapeseed meal, and peanut kernel futures are options for specific varieties in China. The above-mentioned varieties were opened to foreign traders on the Zhengzhou Commodity Exchange for trading on 12 January 2023. For more information, please click [here](#). (Chinese only)

On 13 January 2023, CSRC announced the "Measures for the Administration of Private Asset Management Business of Securities and Futures Institutions" (hereinafter referred to as the "Measures") which shall come into effect on 1 March 2023. The revision is to further improve the operating institutions private equity rules system and continue to promote the industry private equity business standardisation and rectification, smooth transformation. Give full play to the resource allocation function of asset management business and guide more capital to be invested in the real economy. On the other hand, promptly review the experience in improving regulations, further improve the systems, and continue to consolidate implementation results, and stick to the source of direct financing to promote high quality economic development. For more information, please click [here](#). (Chinese only)

On 13 January 2023, CSRC and the People's Bank of China jointly issued the "Electronic specification for information disclosure of publicly offered securities investment mutual funds" (hereinafter referred to as the "Code") financial industry standard, which is now in force. The Code sets out the general requirements for the electronic disclosure of fund information, including requirements for, classification standards, electronic processes, and announcements. It is the basic standard for the application system of electronic fund information disclosure. Only applicable to securities investment funds established through public offering. For more information, please click [here](#). (Chinese only)

On 13 January 2023, CSRC issued the Measures for the Administration of Securities Brokerage Business ("Measures") which will come into effect on 28 February 2023. The measures include provisions covering six areas, including the definition of a brokerage business, strengthening internal compliance and risk management, stricter administrative supervisions and accountability and more. Next, the CSRC will continue to strengthen supervision, and urge securities companies to strictly comply with the relevant requirements of the "Measures", standardise the securities brokerage business, effectively maintain the order of market transactions, and protect the legitimate interests of investors. For more information, please click [here](#). (Chinese only)

On 19 January 2023, CSRC, SSE, SZSE and China Clearing and Settlement Center officially released the supporting rules and notice related to the optimisation of the trading calendar of HKEx. The optimisation of the trading calendar of the Shanghai-Shenzhen-Hong Kong Stock Connect is an important initiative to optimise the interoperability mechanism of stock market transactions between the Mainland and Hong Kong. It is a concrete manifestation of practical cooperation between the two capital market regulators. It responds to the demands of domestic and foreign investors and is conducive to promoting the long-term stable and healthy development of the capital markets of the Mainland and Hong Kong. For more information, please click [here](#). (Chinese only)

Enforcement

On 10 January 2023, the Asset Management Association of China ("AMAC") cancelled the membership of Shenzhen Lu Yu Fund Management Co. Limited and disqualified the fund and its legal representative due to the following breaches. Violation of the principle of focused operations; failure in reporting fund raising activities to the regulator; violation by promising the guarantee of principal and proceeds; violation of the principle of investor suitability; and failure to update the registration information in a timely manner. For more information, please click [here](#). (Chinese only)



On 10 January 2023, the registered management institution Beijing Zhuyu Asset Management Co Limited was revoked. AMAC publicly criticised the related senior managers and disqualified the fund management qualification of the related persons due to breaches. These include failure to report fund raising activities in a timely manner; engagement in unrelated business activities; failure submit their annual financial report and disclosure of investment product updates in a timely manner; and having an insufficient number of senior management staff. For more information, please click [here](#). (Chinese only)

On 10 January 2023, AMAC cancelled the membership and revoked the management registration of Beijing Hai Lantai and Investment Management Co Limited with the following breaches including failure to report changes in legal representatives and shareholders and having unlicensed senior management conducting fund management activities with inconsistent information disclosure. For more information, please click [here](#). (Chinese only)



Hong Kong

On 31 January 2023, the Hong Kong Monetary Authority (“HKMA”) announced the consultation on crypto-assets and stablecoins had concluded and issued the consultation conclusion. The overall conclusion reached from the consultation was that the HKMA will seek to bring certain stablecoin-related activities into the regulatory environment of Hong Kong. The response from the Hong Kong financial industry to the consultation was in favor of using a risk-based approach to regulate stablecoins and to consider the international regulatory environment when constructing the proposed Hong Kong regulations. The new regulatory regime for stablecoins is expected to be implemented in 2023/2024. For more information, please click [here](#).

On 31 January 2023, the Securities and Futures Commission (“SFC”) released a circular outlining some additional details in advance of the introduction of the Hong Kong Investor Identification Regime (HKIDR) on 20 March 2023. The circular contains a reminder that companies were able submit their Broker-to-Client Assigned Number (BCAN) and client identification data (CID) mapping file (BCAN-CID Mapping File) from 19 December 2022 onwards. The circular also details the requirement to gain client consent when collecting their personal data in line with the privacy laws of Hong Kong such as the Personal Data (Privacy) Ordinance (PDPO). For more information, please click [here](#).

Enforcement

On 30 January 2023, the SFC fined Cardinalasia Consulting Limited (CCL) HK\$1.5 million for failures relating to its position as principal investment advisor for five private funds. The SFC found that seven loan agreements were granted to the funds managed by CCL which were not in the lending funds’ interests. The loans were not backed with any collateral or guarantee and one of the loans was even granted free of interest. These loans were recommended by CCL who failed to have the lending funds’ best interests as a priority. For more information, please click [here](#).

On 31 January 2023, the HKMA imposed a fine of HK\$4,000,000 upon Westpac Banking Corporation (Hong Kong) (Westpac) for breaches of the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (AMLO). Westpac were found to have failed to conduct the required periodic customer due diligence reviews for some of its customers between 2016 and 2017. Westpac were also found to not have sufficient procedures in place to adhere to AMLO requirements. For more information, please click [here](#).



The First Compliance Consultancy Firm in Asia



On 6 January 2023, the Securities and Exchange Board of India (“SEBI”) issued a circular which extended the scope of services which Asset Management Companies (AMCs) can provide. Under the prior version of the guidelines, AMCs were only allowed to provide management and advisory services to a limited number of categories of Foreign Portfolio Investors (FPIs). Following requests from AMCs in the industry, SEBI have revised the provisions and will now allow AMCs to provide the aforementioned services to FPIs operating in International Financial Services Centers (IFSC) provided they adhere to the proper regulations. For more information, please click [here](#).

On 10 January 2023, SEBI issued a circular announcing a new type of financial product relating to corporate bond indices. SEBI have taken on board the advice of working groups within the organisation and have permitted Indian stock exchanges to introduce derivative contracts on indices of corporate debt securities rated AA+ and above. The first type of product to be offered will be futures contracts on corporate bond indices. Following the implementation of futures contracts, SEBI will consider allowing for the provision of more derivative products on stock exchanges in India. For more information, please click [here](#).

On 12 January 2023, SEBI released a circular announcing that they encourage the use of video conferencing and other associated technology for conducting unit holder meetings of Real Estate Investment Trusts (REITs). SEBI regulations require that an annual meeting of all unit holders for REITs must be conducted within 120 days of the end of the financial year, in-person meetings have become increasingly difficult and expensive to organise in larger organisations. SEBI therefore encourage REITs to hold their meetings online in order to increase participation and convenience. There are certain conditions attached such as the provision of a recorded transcript which have been added to the circular. For more information, please click [here](#).

On 12 January 2023, SEBI released a circular announcing that Alternative Investment Funds (AIFs) are permitted to participate in Credit Default Swaps (CDS) as buyers and sellers of protection. The circular outlines a number of conditions for AIFs selling CDS. The category of AIF will result in differing conditions for their involvement in selling CDS, for example category 1 and 2 AIFs will be able to buy CDS only for the purpose of hedging whereas category 3 AIFs can buy CDS for all purposes within the leverage limits set by a previous circular. Other examples of conditions applied to AIFs seeking to deal in CDS are reporting requirements and time limits to custodians. For more information, please click [here](#).

On 25 January 2023, SEBI released the results of the study they had conducted analysing the trends in both the participation, and the profits and losses, of individual traders operating in the futures and options (F&O) space. The study was conducted between 2018 and 2022. Some of the major conclusions reached from the study were that the number of F&O traders had vastly increased during the period in question, in excess of 500% from 2018 to 2022. The study also found that 90% of such traders incurred net losses within this period. SEBI believe analyses of this type are beneficial in terms of raising investor awareness about the risks associated with certain types of financial products. For more information, please click [here](#).

Enforcement

On 2 January 2023, the Reserve Bank of India (“RBI”) imposed a fine of ₹6.00 lakh on Sharad Sahakari Bank Ltd., Pune for compliance failures relating to Know Your Customer (KYC) and deposit interest rate regulations. An RBI inspection found that the bank had failed to put in place policies and procedures to conduct KYC assessments on client accounts. The inspection also found that the bank had failed to pay the required interest on certain accounts. For more information, please click [here](#).

On 4 January 2023, the RBI imposed a fine of ₹3.00 lakh on The Shirpur Peoples’ Co-operative Bank Ltd., Shirpur (Maharashtra) for multiple compliance failures relating to income recognition and asset classification (IRAC), KYC, and exposure norms for banks. An inspection report of the bank found that they had issued advances to borrowers in an amount beyond the set limit, had failed to follow the IRAC regulations set out by the RBI, and did not have in place proper systems for monitoring suspicious transactions. For more information, please click [here](#).

On 13 January 2023, the RBI issued a fine of ₹30.00 lakh on Bahadur Chand Investments Private Limited, New Delhi for compliance failures relating to outsourcing and having a proper technology framework. An inspection of the bank found that they were in breach of RBI regulations on outsourcing services, they had failed to appoint an officer in charge of technology amongst other breaches. For more information, please click [here](#).

On 16 January 2023, the RBI imposed a fine of ₹2.00 lakh on the District Co-operative Bank Limited, Dehradun, Uttarakhand for breaches of the Banking Regulation Act. The bank was found to have issued unsecured loans and advances to individuals where bank directors stood as guarantors. For more information, please click [here](#).

On 23 January 2023, the RBI imposed a fine of ₹1.50 lakh on Samarth Sahakari Bank Ltd., Solapur (Maharashtra) for compliance failures of regulations relating to Income Recognition and Asset Classification (IRAC). The bank was



found during an inspection to have failed to properly classify certain accounts as required by the IRAC regulations and had thus increased risk to customer deposits. For more information, please click [here](#).

On 30 January 2023, the RBI imposed a fine of ₹1.00 lakh on Ilkal Co-operative Bank Ltd., Ilkal, Karnataka for compliance failures of regulations relating to Income Recognition and Asset Classification (IRAC). An inspection of the bank found that they had incorrectly classified certain under-performing accounts as standard assets in order to inflate their value. For more information, please click [here](#).

Indonesia

On 19 January 2023, the Bank of Indonesia (“BI”) issued an announcement that they would be raising the 7-day reverse repo rate. The BI Board of Governors agreed to raise the rate 25bps to 5.75%. They also raised the deposit facility and lending facility rates to 5% and 6.5% respectively. This is a move by BI to make a pre-emptive attempt to lower inflation expectation and reduce inflation going forward. The absorption of market liquidity by BI removes currency from circulation which therefore reduces the risk of spiraling inflation. BI took into consideration the international financial environment which has seen massive inflation and monetary policy tightening in some developed economies. For more information, please click [here](#).

On 31 January 2023, BI announced a public consultation which would be launched to gain the public’s view on the development of an Indonesia digital currency through the Digital Rupiah Development project. BI are seeking input from the public firstly on the potential functionality of such a digital currency including accessibility, issuance, and transfer. Other considerations which BI are consulting the public for are focused on the resilience of the technology for the digital currency and the wider implications of introducing a digital currency for payment and financial systems in Indonesia. For more information, please click [here](#).

Enforcement

A media search did not find any enforcement for Indonesia during January.



Japan

On 11 January 2023, the Financial Services Authority (“FSA”) published an update to a report titled “Public appeal in regard to ‘promoting the upgrade of anti-money-laundering measures’”. The aim of the project is to promote the development of AI in anti-money laundering systems. For more information, please click [here](#). (Japanese only)

On 27 January 2023, the FSA published a draft of “The Comprehensive Guidelines for the Supervision of Financial Commodity Brokers”. The document includes clarification on bookkeeping outside of Japan, allowing documents to be stored outside of Japan digitally as long as they are available for inspection without delay, and have a low data breach risk and data leakage. It also extended this obligation to crypto-asset traders. For more information, please click [here](#). (Japanese only)

On 27 January 2023, FSA published a draft of “The Comprehensive Guidelines for the Supervision of Financial Commodity Brokers”. The document included proposals to develop regulations for fund managers to report on the funds they manage in monitoring surveys. It also included details on regulations to improve emergency response measures. For more information, please click [here](#). (Japanese only)

Enforcement

On 17 January 2023, the FSA reported that the Kanto Finance Bureau issued a business improvement order against IPR Venture Capital for failing to submit their annual business report by the deadline as is required by law. For more information, please click [here](#). (Japanese only)

On 17 January 2023, the FSA reported that the Kanto Finance Bureau issued a business improvement order against Albatross Corporation for failing to submit their annual business report by the deadline as is required by law. For more information, please click [here](#). (Japanese only)



On 17 January 2023, the FSA reported that the Kanto Finance Bureau issued a business improvement order against Joss LLC for failing to submit their annual business report by the deadline as is required by law. For more information, please click [here](#). (Japanese only)

On 27 January 2023, the FSA issued a business improvement order against Hibiscus Auditing Corporation for poor management, which had led employees to have a poor understanding of auditing standards, and poor-quality auditing procedures. For more information, please click [here](#). (Japanese only)



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Korea

On 11 January 2023, the Financial Services Commission (“FSC”) announced that they, in tandem with the Ministry of SMEs and Startups (MSS), will provide a KRW80 Trillion financial support package to help SMEs. Global factors such as global recession and high interest rates disproportionately affect SMEs due to their higher sensitivity to price changes in their production costs. The FSC and MSS are releasing the support package to mitigate the effects by raising their capital reserves in order to maintain the activity in the SME sector of the Korean economy. For more information, please click [here](#).

On 25 January 2023, the FSC announced a new set of measures which are designed to improve the ability of foreign investors to access Korean capital markets. The first proposed measure is to remove the requirement for foreign investors to attain foreign investor registration. The second measure is to allow the use of omnibus accounts by foreign investors. Other measures include allowing foreign investors to more easily conduct OTC transactions and the expansion of the English language in disclosures. This will allow increased volumes of foreign investors and thus foreign capital to engage in Korean markets and enhance Korea’s position in the global financial system. For more information, please click [here](#).

Enforcement

A media search did not find any enforcement for Korea during January.



Malaysia

On 3 January 2023, Bursa Malaysia Berhad (“BMB”) issued an amended version of its Business Rules and Listing Requirements. The amended version is designed to allow BMB to continue to function on days declared as surprise holidays. Surprise holidays are public holidays which were not gazetted as a formal public holiday at the start of the year. The new amended regulations will ensure that all transactions are able to be settled prior to the surprise holiday and will offer improved protections to investors and the market as a whole. In the case of a surprise holiday, BMB will ensure that they consider fully the benefits of opening through the consultation with relevant authorities. For more information, please click [here](#).

On 10 January 2023, The Securities Commission Malaysia (“SC”) issued a revised version of the Guidelines on Credit Ratings Agencies (CRA Guidelines). The new version of the CRA Guidelines will seek to allow Credit Rating



Agencies (CRAs) to provide better and more credible credit rating advice. This revision is part of a wider policy enacted by the SC to promote strong governance within the financial industry as well as improving the integrity of CRAs. The key additions to the CRA guidelines include enhanced fit and proper requirements for officers and executive staff of CRAs and more stringent regulations relating to board independence. For more information, please click [here](#).

Enforcement

A media search did not find any enforcement for Malaysia during January.



Philippines

On 20 January 2023, the Securities and Exchange Commission Philippines (“SEC”) issued a notice requesting public comments on the latest draft of the Financial Products and Services Consumer Protection Act. The deadline for comments to be submitted was 7 February 2023. The consultation encompasses a range of features of the legislation including its scope, interpretation and the definitions of the terms included within it. The draft of the legislation also asks for comments on the proposed powers of the SEC following their implementation. For more information, please click [here](#).

Enforcement

On 12 January 2023, the SEC issued a notice that it had cancelled the corporate registration of Silverlion Livestock Trading Corp. (Silverlion) due to them conducting business without the proper license. The company was found to have solicited investments from the public without having the appropriate license granted by the SEC. The company were found to have misrepresented to the public their qualifications for investing. For more information, please click [here](#).

On 25 January 2023, the SEC announced the revocation of the corporate registration of Fast Coin Lending Corp. (Fast Coin) for extensive compliance failures relating to submit the proper disclosures to the SEC. Fast Coin were found to be operating an online lending platform without disclosing the proper information to the SEC, they were also found to be operating two other online lending platforms which were not registered with the SEC. For more information, please click [here](#).



Singapore

On 11 January 2023, the Monetary Authority of Singapore (“MAS”) announced amendments to the Code of Corporate Governance which made changes to the tenure limit for independent directors and mandatory remuneration disclosures for individual directors and CEOs. The amendment will set the tenure limit to a period of no longer than nine years. The remuneration disclosure is a requirement for each individual director of a company as well as the Chief Executive Officer. These revised measures have been implemented to reflect the SGX RegCo’s Listing Rule Changes. The Corporate Governance Advisory Committee (CGAC) recommended these changes in September 2022. For more information, please click [here](#).

Enforcement

A media search did not find any relevant enforcements for Singapore during January.



Taiwan

On 9 January 2023, the Financial Supervisory Commission (“FSC”) signed an exchange of letters (EoL) in insurance supervision with the French Prudential Supervision and Resolution Authority (ACPR). The EoL will seek to set out provisions which provide information on on-site examinations and the supervision of cross-border interactions between Taiwan and France going forward. Taiwan and France have a history of signing regulatory cooperation documents with three existing (1994, 2006 and 2019). This EoL will build upon prior agreements and improve regulatory cooperation in the insurance sector. For more information, please click [here](#).



Enforcement

On 16 January 2023, the FSC imposed a fine of NT\$ 720,000 upon the Responsible Person of Taiwan Land Development Corporation for reporting failures. The company were found to have failed to complete their quarterly financial statement by the required deadline. For more information, please click [here](#).



Thailand

On 4 January 2023, the Securities and Exchange Commission, Thailand (“SEC”) launched the SEC Crypto Academy which is a free online resource designed to educate investors and the wider public on digital assets. The aim of the online resource is to better educate both investors and the public to identify the risks and benefits of investing in digital assets as well as being able to better identify fraudulent and nefarious use of digital assets. The topics offered range from digital asset trading to blockchain technology. For more information, please click [here](#).

On 10 January 2023, the SEC and the Government of the United Kingdom signed a Memorandum of Understanding (MoU) which seeks to strengthen their partnership, promote economic growth in Thailand, and support Thailand in moving towards a low-carbon and sustainable economy. This agreement will seek to build upon a previous MoU where the UK have committed to provide technical aid in numerous areas of the financial sector including accounting standards, FinTech, Know Your Customer (KYC) and cybersecurity. The MoU will also promote the benefits of sustainable finance and investment opportunities within Thailand and amongst other ASEAN countries. For more information, please click [here](#).

On 10 January 2023, the SEC published the Guidelines on Management and Disclosure of Climate-related Risk by Asset Managers. These guidelines seek to aid asset managers in considering the impact of climate-related risk upon their investment strategy in adherence to the United Nations Sustainable Development Goals (SDGs). These guidelines build upon the SEC’s previous measures to require listed companies to disclose ESG considerations to their investors and stakeholders. The guidelines also provide information to asset managers on how to avoid the risks associated with greenwashing and promote asset selection which will contribute to a low-carbon economy. For more information, please click [here](#).

On 17 January 2023, the SEC issued new regulations which regulate the management of digital wallets for custody of digital assets and keys. The regulations require digital asset business operators which provide custody services for clients’ digital assets to create a digital wallet management system which ensures the safety of clients’ digital assets and keys. The guidelines include enhanced measures such as increased risk management policies and procedures, systems for creating and maintaining digital wallets, and continuity plans for the occurrence of disruption to the management system. For more information, please click [here](#).

Enforcement

On 10 January 2023, the SEC placed a fine of 25,000,000 Baht upon Sakolkorn Sakavee, the CEO of Bitkub Online Co. Ltd as well as suspending him and barring him from serving as a director or executive for a digital asset service provider due to market manipulation offences. Mr. Sakavee was found to have entered into a market maker agreement with another individual in order to artificially increase the trade volume of certain products. This misled other investors into believing the trade volume and thus demand for such products was higher than it was in reality. For more information, please click [here](#).

On 13 January 2023, the SEC issued seven criminal fines to Max Metal Corporation Public Company Limited (Max) and to the acting CEO, Chatree Chuensuksinsup, totaling 2,016,600 Baht for reporting failures. Max were found to have on numerous occasions submitted their audited financial statements to the Stock Exchange of Thailand (“SET”) after the required deadline. For more information, please click [here](#).

On 13 January 2023, the SEC issued four criminal fines to Asia Wealth Securities Public Company Limited totaling 5,295,000 Baht for compliance breaches relating to the maintenance of sufficient capital. The company was found to have failed to maintain the required net capital in accordance with SEC regulations and made a false report to the SEC regarding their net capital position. The SEC also reprimanded the company for failing to have systems in place to manage liquidity risks. For more information, please click [here](#).

On 13 January 2023, the SEC imposed three criminal fines upon JC Kevin Development Company Limited (JCKD) and its Managing Director, Apichal Taechaubol, totaling 540,900 Baht for reporting failures. The Company and Mr. Taechaubol were found to have failed to submit both the company financial statements and the company key financial ratios to the SEC by the required deadline. For more information, please click [here](#).



Vietnam

On 11 January 2023, the State Bank of Vietnam (“SBV”) signed a Memorandum of Understanding (MoU) with the Bank of the Lao P.D.R (BOL) which seeks to promote cooperation between the two central banks in the fields of innovation and payment systems. The cooperative agreement will aid both central banks in adapting to the increasingly digital nature of the modern financial ecosystem. The MoU will also strengthen bilateral trade, enhance measures to attract tourism and increase the use of transactions between the two currencies. For more information, please click [here](#).

Enforcement

A media search did not find any enforcement for Vietnam during January.

Suggestions

Please send any comments or suggestions or other information you would like included in the next issue to communications@complianceasia.com. In addition, if there are others in your organisation who you believe will benefit from this newsletter, please do let us know.



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