

VIDEO

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Focus on Funds: Insight on APAC Cross-Border Fund Development

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In the May 16, 2014, edition of *Focus on Funds*, Qiumei Yang, ICI Global Executive Vice President and Head of Asia-Pacific, offers an initial analysis of three proposals that could lead to cross-border fund distribution in a number of Asia-Pacific markets.

Transcript

Stephanie Orbals-Tibbs, Director, ICI Media Relations: Welcome to *Focus on Funds*, the Investment Company Institute's weekly roundup of industry news, ICI activities, and research findings.

This week we're reporting from Hong Kong, where the issue of fund passporting is very much in the forefront of the discussion among funds and their investors. It has implications for funds worldwide, and I spoke to ICI Global's Asia-Pacific Vice President, Qiumei Yang about this particular issue.

Qiumei, it's quite clear that fund passporting is coming to the Asia-Pacific region. What do we know about the developments going on?

Qiumei Yang, ICI Global Vice President and Head of Asia-Pacific: Well, I can tell you that there are three passporting regimes that are developing. One is mutual recognition between mainland China and Hong Kong. Certain funds will be recognized in one market and allowed to be sold in another market. The other is called ASEAN passporting, and it's among Malaysia, Singapore and Thailand, and this one is thought to be coming up the second part of 2014. And the third one is called ARFP, the Asia Regional Fund Passport, and it's among Australia, Singapore, New Zealand, and Korea.

Stephanie Orbals-Tibbs: And what are we hoping as a trade body for funds and their investors to happen in terms of some principals to be followed? What are some things that are important?

Qiumei Yang: I will mention three. Number one, we hope to see to see that all these funds, these passport funds, will provide investors with access to a wider choice of investment options. Number two, we hope they will offer flexibility that eases cross-border fund

marketing and servicing. Number three, we'd like to see that all these arrangements are harmonized with regard to operations, tax, and recordkeeping procedures.

Stephanie Ortvals-Tibbs: And as these schemes develop, they are all good news for funds and their investors.

Qiumei Yang: They are very good both for investors and industries. For industries, they will have more opportunities to invest outside, and business will be bigger than before. And investors will have more options in terms of investments overseas.

Stephanie Ortvals-Tibbs: That's this week in funds. See you next week.

Additional Resources

[Research: "Globalisation and the Global Growth of Long-Term Mutual Funds" \(pdf\)](#)

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