

FACILITATING CROSS-BORDER CAPITAL RAISING IN ASEAN

Posted on April 1, 2015

Category: [CNPupdates](#)

General disclaimer

This article is provided to you for general information and should not be relied upon as legal advice. The editor and the contributing authors do not guarantee the accuracy of the contents and expressly disclaim any and all liability to any person in respect of the consequences of anything done or permitted to be done or omitted to be done wholly or partly in reliance upon the whole or any part of the contents.

Date Published: 1 April 2015

Author and Contributor: Tan Min-Li and Stephen Soh.

The Monetary Authority of Singapore (“**MAS**”) and the Singapore Exchange (“**SGX**”) jointly signed a Memorandum of Understanding (“**MOU**”) with the Securities Commission Malaysia and the Securities and Exchange Commission, Thailand on 3 March 2015 to establish a Streamlined Review Framework (“**Framework**”) for an ASEAN common prospectus. The Framework is an initiative under the ASEAN Capital Market Forum (“**ACMF**”) Implementation Plan and will facilitate cross-border offerings of equity securities and plain debt securities in ASEAN.

Under the Framework, the review process for a multi-jurisdiction offering of equity securities or plain debt securities in ASEAN countries will be streamlined, subject to the prospectus being prepared in accordance with a set of common standards governing disclosures for equity and plain debt offerings based on standards of cross-border offerings set by the International Organization of Securities Commissions. Both home and host authorities will be required to complete the review process at the same time, within three to four months from the date of submission.

The Framework will hence make it easier for issuers to raise capital across ASEAN countries, and enhance regional capital markets integration.

Malaysia, Singapore and Thailand are currently the first three jurisdictions to sign the MOU and securities regulators in other ASEAN jurisdictions will become signatories when ready. ASEAN exchanges with a substantial role in reviewing listing applications may also sign the MOU along with the securities regulators in their jurisdictions.

The signatories to the MOU target to implement the Framework by the third quarter of 2015. They will jointly issue a handbook to provide guidance on various procedural matters including the criteria for issuers, application procedures and review timelines.

The above has been extracted from MAS’ announcement on 3 March 2015.

General disclaimer

This article is provided to you for general information and should not be relied upon as legal advice. The editor and the contributing authors do not guarantee the accuracy of the contents and expressly disclaim any and all liability to any person in respect of the consequences of anything done or permitted to be done or omitted to be done wholly or partly in reliance upon the whole or any part of the contents.