

**Asia-Pacific Financial Forum
Interim Report to the APEC Finance Ministers**

**ANNEX E
Self-Assessment Template: Disclosure**

Accounting and Disclosure SubGroup

Phase 1 – Comparison of regulatory requirements/common practice in various jurisdictions regarding bond issue

Economies/jurisdictions (within Asia) selected for Phase 1 comparison are:

- 1) Hong Kong
- 2) China
- 3) Japan
- 4) Thailand
- 5) Philippine
- 6) Korea
- 7) Singapore
- 8) Indonesia

These economies are an indicative list that may be expanded at a later stage in the project.

Approach:

A number of economies/jurisdictions in Asia have adopted or will soon adopt International Financial Reporting Standards (IFRSs) or IFRS equivalents¹. IFRSs (in particular, IFRS 7 *Financial Instruments: Disclosures*) require some disclosures regarding the nature and the extent of risks arising from financial instruments. For this reason, the requirements set out in the applicable IFRSs would be used as a starting point for comparison purposes.

Specifically, you can see (from the tables below), we,

- *first* identify the applicable IFRS requirements; and
- *second* identify the regulatory requirements (e.g. listing rules) and common practice in various jurisdictions.

We have identified the following areas for comparison purposes:

- 1) Investors' risk
- 2) Credit rating information of bond issuers
- 3) Bond issuer's ability to pay principal and interest
- 4) History of bond issuers' breach of loan covenants
- 5) Non-GAAP measures (e.g. requirement to disclose gross profit, EBITDA etc.)
- 6) Related/connected party transactions/balances
- 7) Corporate structure of bond issuers
- 8) Use of bond issue proceeds
- 9) Others (please specify)

¹ Appendix 1 to this document summaries the status of IFRS adoption of the selected jurisdictions.

Comparison template

B1 Investors' risk (e.g. interest rate risk, liquidity risk)

IFRS disclosure requirement			
Does IFRS require any specific disclosures regarding investor's risk?	[If yes, please include the reference to IFRSs and the specific requirements.]		
Regulatory requirements and common practice in various jurisdictions			
Jurisdictions	1) Does the jurisdiction require any disclosures regarding the nature and extent of investors' exposure?	2) If yes to Q1, what are they? Please specify. Please also include the source of requirements (e.g. references to the applicable listing rules).	What is the common practice in the jurisdiction? In particular, what additional disclosures do bond issuers made in the jurisdiction (in addition to those required by regulators)?
Hong Kong			
China			
Japan			
Thailand			
Philippine			
Korea			
Singapore			
Indonesia			

B2 Credit rating information of bond issuers (e.g. credit rating of bond issuer and the related details)

IFRS disclosure requirement			
Does IFRS require any specific disclosures regarding credit rating information of bond issuers?	[If yes, please include the reference to IFRSs and the specific requirements.]		
Regulatory requirements and common practice in various jurisdictions			
Jurisdictions	1) Does the jurisdiction require any disclosures regarding the credit rating information of bond issuers?	2) If yes to Q1, what are they? Please specify. Please also include the source of requirements (e.g. references to the applicable listing rules).	What is the common practice in the jurisdiction? In particular, what additional disclosures do bond issuers make in the jurisdiction (in addition to those required by regulators)?
Hong Kong			
China			
Japan			
Thailand			
Philippine			
Korea			
Singapore			
Indonesia			

B3 Bond issuers' ability to pay principal and interest

(E.g. information about bond issuers' ability to generate cash flows from independent third parties, business model/principal activities of the bond issuer and extent of reliance on its top [] customers, profit and cash flow forecast for the coming few years, guarantee arrangement if the bond issuer defaults etc..)

IFRS disclosure requirement			
Does IFRS require any specific disclosures regarding bond issuers' ability to pay principal and interest?	[If yes, please include the reference to IFRSs and the specific requirements.]		
Regulatory requirements and common practice in various jurisdictions			
Jurisdictions	1) Does the jurisdiction require any disclosures regarding the bond issuers' ability to pay principal and interest?	2) If yes to Q1, what are they? Please specify. Please also include the source of requirements (e.g. references to the applicable listing rules).	What is the common practice in the jurisdiction? In particular, what additional disclosures do bond issuers make in the jurisdiction (in addition to those required by regulators)?
Hong Kong			
China			
Japan			
Thailand			
Philippine			
Korea			
Singapore			
Indonesia			

B4 History of bond issuers' breach of loan covenants

IFRS disclosure requirement			
Does IFRS require any specific disclosures regarding history of bond issuers' breach of loan covenants?	[If yes, please include the reference to IFRSs and the specific requirements.]		
Regulatory requirements and common practice in various jurisdictions			
Jurisdictions	1) Does the jurisdiction require any disclosures regarding history of bond issuers' breach of loan covenants?	2) If yes to Q1, what are they? Please specify. Please also include the source of requirements (e.g. references to the applicable listing rules).	What is the common practice in the jurisdiction? In particular, what additional disclosures do bond issuers make in the jurisdiction (in addition to those required by regulators)?
Hong Kong			
China			
Japan			
Thailand			
Philippine			
Korea			
Singapore			
Indonesia			

B5 Non-GAAP measures (e.g. requirement to disclose EBITDA etc.)

IFRS disclosure requirement			
What are the minimum line items to be disclosed in the statement of profit and loss and statement of financial position? Please also include the specific IFRS references.			
□			
Regulatory requirements and common practice in various jurisdictions			
Jurisdictions	1) Does the jurisdiction require any line items to be disclosed (e.g. EBITA etc.)?	2) If yes to Q1, what are they? Please specify the additional line items. Please also include the source of requirements (e.g. references to the applicable listing rules).	What is the common practice in the jurisdiction? In particular, what additional disclosures do bond issuers make in the jurisdiction (in addition to those required by regulators)?
Hong Kong			
China			
Japan			
Thailand			
Philippine			
Korea			
Singapore			
Indonesia			

B6 Related/connected party transactions/balances**(E.g. amount involved, relationships with the issuer and nature of transactions)**

IFRS disclosure requirement			
Does IFRS require any specific disclosures related party disclosures?	[We should refer to IAS 24 <i>Related Party Transactions</i> .] <input type="checkbox"/>		
Regulatory requirements and common practice in various jurisdictions			
Jurisdictions	1) Does the jurisdiction require any disclosures regarding related/connected party transactions/balances?	2) If yes to Q1, what are they? Please specify. Please also include the source of requirements (e.g. references to the applicable listing rules).	What is the common practice in the jurisdiction? In particular, what additional disclosures do bond issuers make in the jurisdiction (in addition to those required by regulators)?
Hong Kong			
China			
Japan			
Thailand			
Philippine			
Korea			
Singapore			
Indonesia			

B7 Corporate structure of the bond issuers

IFRS disclosure requirement			
Does IFRS require any specific disclosures regarding the corporate structure of the bond issuers?	[If yes, please include the reference to IFRSs and the specific requirements.]		
Regulatory requirements and common practice in various jurisdictions			
Jurisdictions	1) Does the jurisdiction require any disclosures regarding the corporate structure of the bond issuer (e.g. any special purpose vehicles established)?	2) If yes to Q1, what are they? Please specify. Please also include the source of requirements (e.g. references to the applicable listing rules).	What is the common practice in the jurisdiction? In particular, what additional disclosures do bond issuers make in the jurisdiction (in addition to those required by regulators)?
Hong Kong			
China			
Japan			
Thailand			
Philippine			
Korea			
Singapore			
Indonesia			

B8 Use of bond issue proceeds

IFRS disclosure requirement			
Does IFRS require any specific disclosures regarding the use of bond issue proceeds?	[If yes, please include the reference to IFRSs and the specific requirements.]		
Regulatory requirements and common practice in various jurisdictions			
Jurisdictions	1) Does the jurisdiction require any disclosures regarding the use of bond issue proceeds?	2) If yes to Q1, what are they? Please specify. Please also include the source of requirements (e.g. references to the applicable listing rules).	What is the common practice in the jurisdiction? In particular, what additional disclosures do bond issuers make in the jurisdiction (in addition to those required by regulators)?
Hong Kong			
China			
Japan			
Thailand			
Philippine			
Korea			
Singapore			
Indonesia			

Appendix 1 – Adoption of IFRSs and a summary of the applicable IFRSs

Jurisdictions	1) Has the jurisdiction adopted IFRSs (or IFRS equivalent) yet?	2) If the response to Question 1 is no, is there any plan as to when the jurisdiction will adopt IFRSs?	3) If the response to Question 1 is no, what is the applicable reporting GAAP in those jurisdictions? And how are those reporting GAAP disclosure requirements different from IFRSs regarding bond issue?
Hong Kong			
China			
Japan			
Thailand			
Philippine			
Korea			
Singapore			
Indonesia			