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Access FSA



Provisional
Translation

Contents

P1 Information Related to the Noto Peninsula Earthquake in 2024

Conferences (P4-)

P4 Meeting of Directors-General of Local Finance Bureaus
– Speeches by State Minister Ibayashi and Parliamentary Vice-Minister Kanda –

Policy Commentary Corner (P6-)

P6 Report of the Financial System Council's Working Group on Tender Offer Rule and Large Shareholding Reporting Rule

MATSUI Akira, Deputy Director
MURAKAMI Yusuke, Section Chief
IWASAKI Yui, staff member

Corporate Accounting and Disclosure Division, Policy and Markets Bureau

P10 FSA's Efforts for "Special Zones for Financial and Asset Management Businesses"

Notices (P12-)

P12 Financial Policies Monitor

P14 "NISA Day (February 13)"

P15 Preparation of a leaflet for corporations on continuous customer management as the basis for anti-money laundering measures

JFSA's Major Activities in January (P17)

Information Related to the Noto Peninsula Earthquake in 2024

We would like to offer our condolences for the people who perished in the Noto Peninsula Earthquake in 2024 that took place on January 1 and express our heartfelt sympathy for all people affected by the disaster.

The FSA has created a website page titled "Information Related to the Noto Peninsula Earthquake in 2024," through which information useful for the people affected by the disaster is provided.

<Japanese version>

<https://www.fsa.go.jp/ordinary/earthquake202401/press.html>

<English version>


<https://www.fsa.go.jp/en/ordinary/earthquake202401/press.html>

Following the previous issue, this issue shows some of the information now available.

■ FSA Consultation Hotline for the Noto Peninsula Earthquake in 2024

We accept inquiries from and provide consultations to disaster-affected people regarding transactions with private financial institutions, such as "I don't have a passbook or card at hand" or "I would like to consult about borrowing." The service can be accessed via a toll-free telephone number, so please feel free to use it. In addition to contacting us by phone, you can also contact us by e-mail.

<https://www.fsa.go.jp/ordinary/earthquake202401/press.html#01> (Available in Japanese)

 **0120 – 156811** (toll-free telephone number)

[Service hours] Weekdays: 10:00 a.m. to 5 p.m.

*If you call from an IP phone, dial 03-5251-6813.

✉ saigai@fsa.go.jp



Examples of Consultation

- *I can't find my passbook or seal due to the disaster. Can I withdraw my deposit?*
 - The authorities are requesting financial institutions to accept customers' deposit withdrawals even without passbooks or seals by identifying them as depositors with a confirmation method that takes into account disaster-affected people' situations. Please consult with financial institutions for specifics.
- *I have decided to raise money for emergency support for the Noto Peninsula. The money includes many 1-yen and 5-yen coins. Will any fee be imposed on the donation of the money?*
 - Some financial institutions levy no coin handling fees when transferring donations. Please consult with the financial institution you plan to use.

■ Situations of financial institutions in the disaster-affected areas

We are constantly updating the status of closed financial institutions branches in the disaster-affected areas. For the Noto region of Ishikawa Prefecture, we have also posted the operating status of teller counters and ATMs for regional banks, Shinkin banks, labor banks, Japan Post Bank, post offices, JA banks, JF marine banks, convenience stores, etc. Please use the data when you want to check which financial institutions are available.

<https://www.fsa.go.jp/ordinary/earthquake202401/press.html#02>

■ Support Desk

In response to the Noto Peninsula Earthquake in 2024, we have posted information, such as disaster-affected people support systems of national and local governments and relevant organizations, and contacts for multiple debt consultation counters.

<https://www.fsa.go.jp/news/r5/kashikin/20240117/20240117-2.html> (Available in Japanese)

<For general consumers>

- Support system for disaster-affected people (Cabinet Office disaster prevention information)

<https://www.bousai.go.jp/taisaku/hisaisyagyousei/seido.html> (Available in Japanese)

The information covers the support system for reconstructing the livelihoods of disaster-affected people, the disaster relief fund, the welfare fund loan system, and other systems made available by government agencies for disaster-affected people.

<For small and medium enterprises>

- Cash flow support for disaster-affected micro, small, medium enterprises (Small and Medium Enterprise Agency)

<https://www.meti.go.jp/press/2023/01/20240104002/20240104002.html> (Available in Japanese)

The information covers special consultation, disaster recovery loan, safety net guarantee No. 4, and other cash flow, tax, and employment support measures for small and medium enterprises that have been directly or indirectly affected by the disaster.

<Multiple debt consultation counters>

- Multiple debt consultation counter contacts

<https://www.fsa.go.jp/policy/kashikin/index.html#madoguchi> (Available in Japanese)

The information covers contacts for multiple debt consultation counters at the Local Finance Bureaus, and prefectural and municipal governments.

■ Donations

Cash remittances made for donations related to the Noto Peninsula Earthquake in 2024 are exempt from verification at the time of transaction as far as donations are 2 million yen or less.

For more information, see the following page:

- Order to partially amend the Enforcement

Regulations for the Act on Prevention of Transfer of Criminal Proceeds

<https://www.fsa.go.jp/news/r5/sonota/20240111/20240111.html> (Available in Japanese)

Regarding the past disasters, there have been many cases of fraudulent solicitation of donations. The Noto Peninsula Earthquake in 2024 as well could be followed by despicable crime that takes advantage of your good intentions. Please be careful not to fall victim to scams disguised as donations.

Specific cases of suspected fraud regarding the Noto Peninsula Earthquake in 2024 and other disasters

- A swindler claims to be a well-known volunteer organization and uses a telephone, fax, etc. to transfer donations to an account different from the organization's fundraising account.
- A swindler uses a name that is confusingly similar to that of a public institution to solicit donations by phone under the slogan of disaster relief.
- A swindler makes a rescue request on SNS with a fictitious address, reports the completion of the rescue, and asks for electronic money to be sent as donation for future recovery.

To avoid falling victim to scams

Before transferring donations (including electronic money and crypto assets), please make sure that the transfer is to a genuine organization and that it is a trustworthy organization or individual, by confirming that the transfer destination is the same as the account number and name information published on TV, newspapers, etc.

If you have any suspicions, please contact the police (the nationwide speed dial "#9110" or the nearest police headquarters or police station) or the FSA Financial Services User Consultation Office (0570-016811 (03-5251-6811 from IP phones)).

We will continue to update the information from time to time. Please take advantage of it.

令和6年能登半島地震で被災された皆様へ

大規模災害の後は、**便乗した悪質商法**等のトラブルが発生する傾向にあります。

【不審・不安に思ったら】 消費者ホットラインにご相談ください。

消費者ホットライン

188（局番なしの3桁・下記4県以外の方はこちら）

0120-797-188（新潟県、富山県、石川県、福井県の方はこちら）



能登半島地震関連
消費者ホットライン

【住まいに関する相談】

住まいのダイヤル：0570-016-100

➤被災した住宅の補修工事に対応できる近隣の事業者を知りたい場合は、こちらからご確認いただけます。

住まい再建事業者検索サイト：<https://sumai-saiken.jp/>

※国土交通省の「住宅リフォーム事業者団体登録制度」の登録団体や、住宅関係団体に所属しているリフォーム事業者等を一元的に検索できるサイトです。



保険に関することは、保険会社又は代理店にご相談ください。

➤損害保険会社の連絡先はこちらからご確認いただけます。

（一社）日本損害保険協会 会員会社連絡先ページ

https://www.sonpo.or.jp/news/notice/2023/g34l0i000000p5q-att/240105_02.pdf

（一社）外国損害保険協会 会員会社連絡先ページ

<https://www.fnlia.gr.jp/member.html>



➤ご加入の損害保険会社が分からなくなった場合は、こちらへ問い合わせることも可能です（災害救助法が適用された地域に限る。）。

（一社）日本損害保険協会 自然災害等損保契約照会センター：0120-501331

（受付時間：平日 午前9時15分から午後5時）

（一社）外国損害保険協会 自然災害等損保契約照会センター：03-5425-7850

（受付時間：平日 午後0時から午後1時を除く 午前9時から午後5時）

- 行政機関の職員等を名乗り、義援金・寄付金をだまし取る詐欺にご注意ください。
- 「架空請求と思われるメール」や「訴訟をしないと不安をあおる封書」等が届いたとしても、身に覚えがなければ連絡しないでください。
- 警察への相談は警察相談専用電話（「#9110」番）をご利用ください。



消費者庁
Consumer Affairs Agency, Government of Japan



金融庁
Financial Services Agency



国土交通省



警察庁
National Police Agency



独立行政法人
国民生活センター

一般社団法人 日本損害保険協会
The General Insurance Association of Japan

SONPO

FNLIA

一般社団法人 外国損害保険協会

一般社団法人
住宅リフォーム・紛争処理支援センター

一般社団法人
住宅リフォーム推進協議会

一般社団法人
住宅リフォーム推進協議会

一般社団法人
住宅リフォーム推進協議会

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住宅リフォーム推進協議会

一般社団法人
住宅リフォーム推進協議会

Meeting of Directors-General of Local Finance Bureaus – Speeches by State Minister Ibayashi and Parliamentary Vice-Minister Kanda –

At the third meeting of Directors-General of Local Finance Bureaus in the current business year on January 31, 2024, State Minister Ibayashi and Parliamentary Vice-Minister Kanda delivered speeches. At the outset, they expressed their condolences to those who lost their lives in the Noto Peninsula Earthquake in 2024 and their sympathy for those affected by the disaster.

Outline of the speech by State Minister Ibayashi

In response to the Noto Peninsula earthquake, the Hokuriku and Kanto Finance Bureaus issued a request on January 2 for financial institutions to take financial measures, such as flexible measures for those who lost bank passbooks and quick insurance payments. Based on the needs of the disaster-stricken areas, the Finance Bureaus promptly collected and disseminated information on the damage situation and business conditions for financial institutions. The FSA will continue to cooperate with the Finance Bureaus in encouraging local financial institutions to show solidarity with disaster-affected people and pay due attention to the safety of their employees and will strive to understand the needs of the affected areas and respond appropriately.

In December last year, the "Policy Plan for Promoting Japan as a Leading Asset Management Center" was announced after discussions at a subcommittee under the Council of New Form of Capitalism Realization. In the future, we will also work to improve investment capabilities and governance of the asset management sector and asset owners. With regard to the "Special Zones for Financial and Asset Management Businesses" included in the plan, we have launched a call for proposals and public solicitation. Based on proposals, we will consider eligible areas for the special zones and publish a package of concrete measures to be taken by national and local governments around the summer of this year.

As for the FY2024 organization and capacity requests of the FSA and the Local Finance Bureaus,

we will secure a net personnel increase for the FSA, the Local Finance Bureaus as a whole, and financial service divisions of the bureaus. In order to ensure that the fruits of economic growth can be distributed throughout the country, we will continue efforts to enhance the FSA and Local Finance Bureau arrangements.



Photo: State Minister Ibayashi delivering a speech

Outline of the speech by Parliamentary Vice-Minister Kanda

In December last year, the Financial System Council compiled a report on the institutional development for the revitalization of Japan's capital markets, including institutional measures for the "Policy Plan for Promoting Japan as a Leading Asset Management Center," calling for promoting new entries into the investment management industry and for revitalizing the distribution of unlisted securities. In December last year, the Cabinet approved a basic policy on the promotion of loans focusing on business potential, proposing measures such as the creation of security interests for the entire business including intangible assets. In the future, the government as a whole and the public and private sectors will strongly promote initiatives based on the report of the Financial System Council and the basic policy approved by the Cabinet.

* The FSA delegates part of its authority over the inspection and supervision of regional private financial institutions, etc. to the 11 Local Finance Bureaus (including the Okinawa General Bureau of the Cabinet Office) based on laws and regulations. In order to ensure sufficient cooperation between the FSA and the Local Finance Bureaus, Directors-General of Local Finance Bureaus and FSA officials meet once every three months to discuss a variety of issues.

In order to create business opportunities for the further development of fintech, the FSA will host the first "Japan Fintech Week" on March 4-8 this year. With the Fintech Summit, or FIN/SUM, as the core event, we will intensively hold fintech-related events around the period in cooperation with local governments, industry groups, embassies, etc.

At this year's FIN/SUM, in addition to a panel on regional revitalization using technology, a few roundtables will be held to discuss cases of collaboration between regional financial institutions and domestic and overseas fintech businesses, as well as issues regarding the enhancement of such collaboration.

To support households' long and stable assets building in peace, it is important not only to promote NISA (Nippon Individual Savings Account) and iDeCo (individual-type defined contribution pension plan), but also to ensure financial institutions' business to be customer-oriented. It is also pivotal to enhance financial and economic education. In light of this, I would like the Local Finance Bureaus to continuously monitor financial institutions' sales and promotion of NISA, as well as to expand financial and economic education activities in each region .



(Photo: Meeting of Directors-General of Local Finance Bureaus)

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At the Meeting of Directors-General of Local Finance Bureaus, the speeches by the State Minister and the Parliamentary Vice-Minister came before Directors-General of Local Finance Bureaus and senior FSA officials exchanged opinions on current challenges in financial administration and FSA initiatives. The participants shared the awareness concerning those challenges and confirmed that the FSA and Local Finance Bureaus will continue joint efforts for addressing them.

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(Photo: Parliamentary Vice-Minister Kanda delivering a speech)

Report of the Financial System Council's Working Group on Tender Offer Rule and Large Shareholding Reporting Rule

MATSUI Akira, Deputy Director
MURAKAMI Yusuke, Section Chief
IWASAKI Yui, staff member

Corporate Accounting and Disclosure Division, Policy and Markets Bureau

Introduction

Japan introduced the tender offer rule in 1971 and the large shareholding reporting rule in 1990 and revised them in light of subsequent changes in the market environment. However, no significant amendment has been introduced to either since 2006. On the other hand, due to recent changes in the market environment, diverse issues have been pointed out regarding the tender offer rule and the large shareholding reporting rule, as well as those regarding the transparency of beneficial shareholders.

The Working Group on Tender Offer Rule and Large Shareholding Reporting Rule of the Financial System Council (chaired by Professor KANDA Hideki, Gakushuin University Law School) began deliberations in June last year and compiled a report^{*1} in December. This article introduces an overview of the report.

1. Tender Offer Rule

(1) Market trades

Under the current tender offer rule, market trades (on-floor transactions) are in principle not subject to the application of the rule based on the view that they ensure a degree of transparency and fairness because anyone can participate in them, the transaction volume and prices are publicly disclosed, and the prices are formed through competitive trading methods.

On the other hand, in recent times, there have been cases in which more than one-third of voting rights were acquired in a short period through market trades (on-floor transactions). It has been pointed out that sufficient amounts of information

and time required to make an investment decision are not provided to general shareholders regarding such transactions like these, which may have a material impact on corporate control.

For this reason, the working group concluded that market trades (on-floor transactions) should be made subject to the application of the one-third rule from the perspective of ensuring transparency and fairness of securities transactions that may have a material impact on corporate control.

(2) Lowering the threshold of the one-third rule

Under the current rule, in light of the fact that one-third is a basic ratio that can block a special resolution of a shareholders meeting, if the voting rights ratio exceeds one-third after the acquisition, it is obligated to make a tender offer even if the purchase is made from an extremely small number of people (known as the "one-third rule").

On the other hand, the threshold at which a tender offer is required is set at 30% in tender offer rules of many other countries. Furthermore, taking into account the actual ratios of voting rights exercised at listed companies in Japan, holding voting rights of at least 30% is surmised to enable the blocking of a special resolution of a shareholders meeting at many listed companies and to have a significant effect on an ordinary resolution of a shareholders meeting.

In light of the levels in foreign countries and the actual ratios of voting rights exercised, the working group concluded that it is appropriate to lower the threshold of the one-third rule to 30%.

^{*1} "Publication of the Report by the Working Group on Tender Offer Rule and Large Shareholding Reporting Rule of the Financial System Council" (released December 25, 2023)
https://www.fsa.go.jp/en/refer/councils/singie_kinyu/20240130.html

(3) Measures against coercive tender offer

Under the current tender offer rule, partial tender offers*2 are allowed except in cases in which voting rights become two-thirds or more after the tender offer. On the other hand, with regard to partial tender offers, it has been pointed out that there is a problem in that, if they are expected to reduce the corporate value of the target company after the acquisition of control, general shareholders, even if they are dissatisfied with the tender offer price, may have an incentive to apply for the tender offer just to avoid disadvantages that may arise from reduced corporate value (known as the "problem of coercion").

Given the above, the working group concluded that the discipline of disclosure on tender offer statements for tender offerors that carry out partial tender offers should be strengthened to lead them to fulfill their accountability for measures to address the conflict-of-interest structure with minority shareholders that arise after partial tender offers.

As the coercion and other similar problems may occur in some cases of tender offers without an upper limit, the working group concluded that it would be appropriate to design the rule in a way that allows tender offerors who wish to set additional tender offer periods to do so voluntarily in order to resolve the problem of coercion.

(4) Making tender offer rule more flexible; its operational structure

The working group concluded that to make the tender offer rule more flexible, a system that permits exceptional treatment of these various regulations on a case-by-case basis should be established, and the authority should continue to work to strengthen the structure.

Report of the Working Group (Overview)

1. Tender Offer Rule

For the tender offer rule, the working group recommends as follows.

Overview of the current tender offer rule

| | Over 5% | ② Over 1/3 | Majority | 2/3 or more |
|--|-------------|---|----------|--|
| Off-market trades | The 5% rule | The 1/3 rule (A tender offer is required. Partial tender offer is allowed.) | | The 2/3 rule (Partial tender offer is not allowed.) |
| Market trade (on-floor transaction) | | ① In principle, not subject to rules | | |

① To ensure transparency and fairness of securities transactions, transactions through market trade (on-floor transaction) that have a material impact on corporate control should be made subject to the application of the one-third rule

② The threshold to determine whether the transactions have a material impact on corporate control should be lowered from "1/3 of the voting rights" to "30% of the voting rights." in light of the actual ratios of voting rights exercised and the levels in foreign countries

③ For the partial tender offer (tender offer with an upper limit), the offerors should fulfill their accountability for measures to address the conflict-of-interest structure with minority shareholders after the tender offer
(※) In addition, whether the offer is with or without an upper limit, the offeror should be allowed to voluntarily set an additional tender offer period after the tender offer is completed successfully

④ To avoid an excessively rigid operation of the system that does not take into account the actual situation, a system that permits exceptional treatment on a case-by-case basis should be established, and an operational structure in which the authorities are responsible for a substantial judgement function should be developed

*2 Tender offers with an upper limit

2. Large Shareholding Reporting Rule

(1) Clarifying the scope of the act of material proposal

For institutional investors to receive a special treatment to reduce the frequency of submission of a large shareholding report or a change report, the purpose of shareholding must not be to engage in the act of material proposal.

It has been pointed out that the scope of the act of material proposal must be clarified or limited in order to promote effective engagement between companies and investors.

Given the above, the working group concluded that it is appropriate to have discipline that broadly falls under acts of material proposal for cases in which acts relating directly to corporate control are the purpose, and, for cases in which acts of proposal not relating directly to corporate control^{*3}, focus on the way in which acts of proposal are conducted and have discipline that falls under acts of material proposal only for cases in which conducting acts of proposal in ways that do not leave their adoption or refusal up to the management team.^{*4}

(2) Clarifying the scope of joint holders

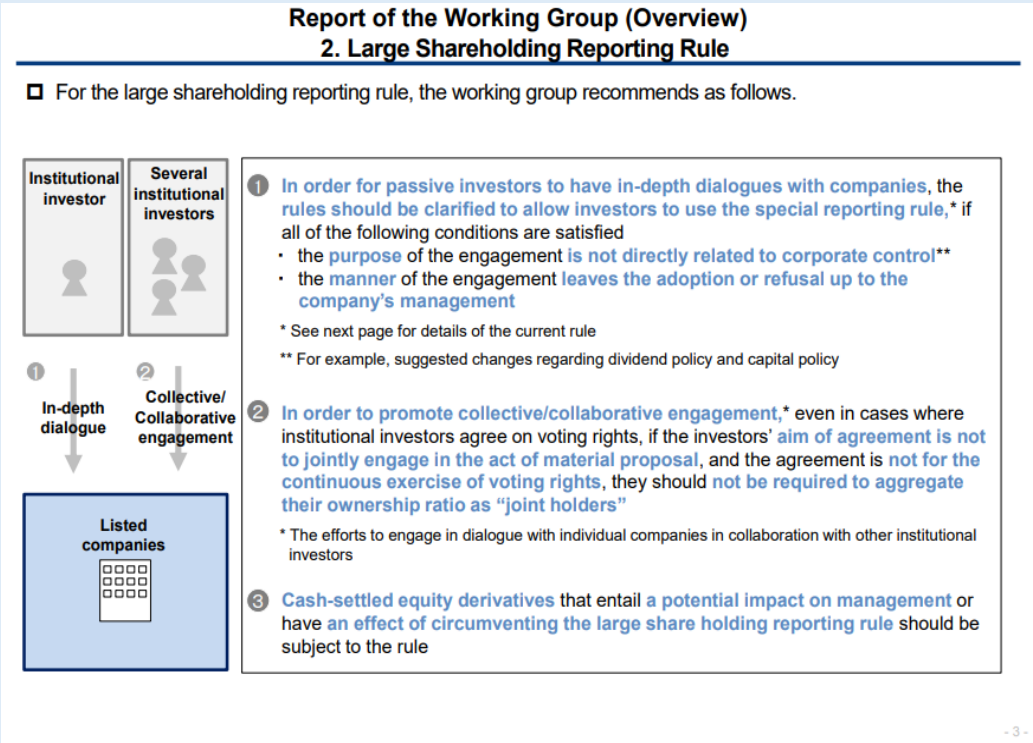
Under the current rule, people who have agreed

with shareholders to jointly exercise voting rights and other shareholders' rights fall under joint holders, without exception. It has been pointed out that the concept has a chilling effect on collective or collaborative engagement^{*5} as an implied agreement is included in the above agreement.

Given the above, the working group concluded that it is appropriate to exclude, for example, institutional investors, whose aim of agreement is not to jointly engage in the act of material proposal and who are in agreement regarding the exercise of voting rights that is not continuous, from the scope of joint holders.

(3) Treatment of derivatives

The working group concluded that it is appropriate for the applicable scope of the large shareholding reporting rule to include cash-settled equity derivative transactions that are assumed to be changed into physically settled ones and deemed as entailing a potential impact on corporate management and as having an effect of circumventing the large shareholding reporting rule.



3. Transparency of Beneficial Shareholders

Under the current rule, companies and shareholders can ascertain the status of nominal shareholders through the disclosure of the shareholder registry under the Companies Act and the status of large shareholders in annual securities reports. On the other hand, there is no system under which companies and shareholders can ascertain the status of beneficial shareholders (shareholders who have the authority to give instructions on voting rights or invest in the relevant shares), except for those who are subject to the large shareholding reporting rule.

Thus, from the viewpoint of promoting dialogue between companies and shareholders/investors, it was pointed out that practical considerations for beneficial shareholders should be made with reference to the systems in other countries so that issuer companies and other shareholders can efficiently identify the beneficial shareholders and the number of shares held by them.

With overviewing the systems in other countries, the working group concluded that relevant authorities should work on initiatives to develop appropriate rules, using the system in European countries as guides. Specifically, first of all, it recommended to call on institutional investors to respond when issuer companies ask them about the status of their holdings

by clearly stating principles of conduct for institutional investors and subsequently making such responses mandatory under law.

Conclusion

In addition to the above, this report makes a wide range of recommendations on various issues related to the tender offer rule and the large shareholding reporting rule. Based on the recommendations in this report, the FSA will consider the necessary institutional development in cooperation with relevant authorities to ensure market transparency and fairness and to promote constructive dialogue between companies and investors.

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Please see the website below for the materials and minutes of the Financial System Council's Working Group on Tender Offer Rule and Large Shareholdings Reporting Rule.

https://www.fsa.go.jp/singi/singi_kinyu/base_gijiroku.html#tob_wg (Available in Japanese)

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Report of the Working Group (Overview)

3. Transparency of beneficial shareholders

For the transparency of beneficial shareholders, the working group recommends as follows.

Overview of the current rule

Under the current rule, companies and shareholders can ascertain the status of nominal shareholders through disclosure of the status of shareholders, such as the shareholder registry under the Companies Act and annual securities reports.

On the other hand, there is no system under which companies and shareholders can ascertain the status of beneficial shareholders,* except for those who are subject to the large shareholding reporting rule (holding over 5%).

* Shareholders who are not a shareholder on the shareholder registry (nominee shareholder) but who have the authority to give instructions on voting rights or the authority to invest in relevant shares

From the viewpoint of promoting dialogue between companies and shareholders/investors, in order to efficiently identify the beneficial shareholders, relevant authorities should consider taking the following measures;

(1) Call on institutional investors to respond when issuer companies ask them about the status of their holdings by clearly stating principles of conduct for institutional investors, and

(2) Make the above responses mandatory under law

9

FSA's Efforts for "Special Zones for Financial and Asset Management Businesses"

1. Introduction

The FSA has set up and been updating a dedicated webpage on initiatives related to the "Policy Plan for Promoting Japan as a Leading Asset Management Center" published by the subcommittee under the Council of New Form of Capitalism Realization on December 13, 2023. Please see the following webpage for details.

<https://www.fsa.go.jp/en/policy/pjlamc/20231214.html>

Access FSA No. 245 (January 2024) also introduced the efforts related to the "Policy Plan for Promoting Japan as a Leading Asset Management Center." Please refer to the following webpage:

<https://www.fsa.go.jp/en/newsletter/accessfsa2024/245.pdf>

2 Outline of "Special Zones for Financial and Asset Management Businesses"

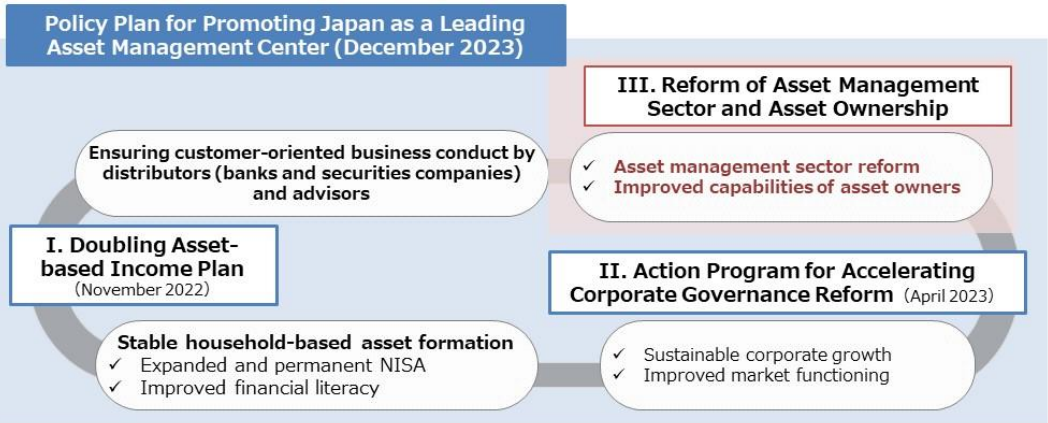
As stated in the "Policy Plan for Promoting Japan as a Leading Asset Management Center" (published on December 13, 2023), the government will promote initiatives related to the asset management sector and asset owners in order to achieve a "virtuous cycle of growth and distribution." The

establishment of "Special Zones for Financial and Asset Management Businesses" is one of the measures to promote new entry of domestic and overseas firms into the asset management sector as well as competition.

Through the establishment of the Special Zones for Financial and Asset Management Businesses, financial and asset management-related businesses will be accumulated in the specific regions to promote their sophistication and competitiveness. Furthermore, we will create an environment for a sufficient supply of overseas investment funds to growing areas, such as startups, through new entry and business expansion of domestic and overseas financial institutions and asset management companies.

Overview of "Promoting Japan as a Leading Asset Management Center"

- Under PM Kishida's initiative toward a "new form of capitalism", the government has been taking various measures to achieve a **"virtuous cycle of growth and distribution"** through an increased flow of Japan's household savings flow into productive investment.
- The government has been reaching out to **various entities in the investment chain** to encourage this move, including through:
 - I. Doubling Asset-based Income Plan**; and
 - II. Corporate governance reforms.**
- **III. Reform of Asset Management Sector and Asset Ownership** is the remaining piece for the growth of Japan's economy and Japanese people's asset income.



To this end, the FSA and aspiring local governments will work together, in collaboration with relevant ministries and agencies, to provide necessary support, including regulatory reforms on finance-related and business and living environment-related activities, and the enhancement of administrative services (services in English, etc.).

Specifically, in addition to initiatives by local governments (including support to improve business and living environments, as well as tax and financial incentives), the national government will implement necessary initiatives, such as support for the accumulation and expansion of financial and asset management-related businesses (such as regulatory reforms on finance-related and business and living environment-related activities, and the enhancement of administrative services such as English-language support) and support for growing areas (including regulatory reforms and other support).

Financial and Asset Management Businesses"

On January 16, 2024, the FSA began to solicit proposals and requests from local governments to the national government from the perspective of considering specific measures for the Special Zones for Financial and Asset Management Businesses. We will consider the proposals in collaboration with relevant ministries and agencies.

Going forward, we will consider candidates for the special zones, taking into account the proposals, requests, and organization of local governments for this initiative, and develop and publish a package of specific policy measures around the summer of 2024.

For details of the request for proposals and requests, please see the following FSA website:
<https://www.fsa.go.jp/en/news/2024/20240119.html>

3. Request for Proposals for "Special Zones for

Outline of “Special Zones for Financial and Asset Management Businesses”

- ❑ In **"Special Zones for Financial and Asset Management Businesses,"** we will create an environment for a sufficient supply of overseas investment funds to growing areas, such as startups, through new entry and business expansion of domestic and overseas financial institutions and asset management companies.
- ❑ To this end, the JFSA and aspiring local governments will work together, in collaboration with relevant ministries and agencies, to reform regulations for the financial sector as well as for the business and living environment. Administrative services in English will be expanded.

I Support by the national government

1. For accumulating and expanding financial and asset management-related businesses:
 - ① Deregulation and regulatory exemptions on:
 - finance-related activities
 - business and living environment-related activities, etc.
 - ② Enhancement of administrative services (services in English, etc.)
2. For growing areas (incl. startups):
Regulatory exemptions and other support

II Support by local governments

1. Efforts for attracting and expanding financial and asset management-related businesses
 - ① Support to improve business and living environments, as well as tax and financial incentives
 - ② Enhancement of administrative services (services in English, etc.)
2. Support for growing areas to be promoted as investees

Summer of 2024: Announce a package with concrete support measures.

Financial Policies Monitor

Financial Policies Monitor

The Financial Services Agency (FSA) has been seeking opinions about financial policies from financial institutions and the general public in various ways. However, financial institutions and others have pointed out that it would be difficult for them to express their honest opinions directly to FSA officials.

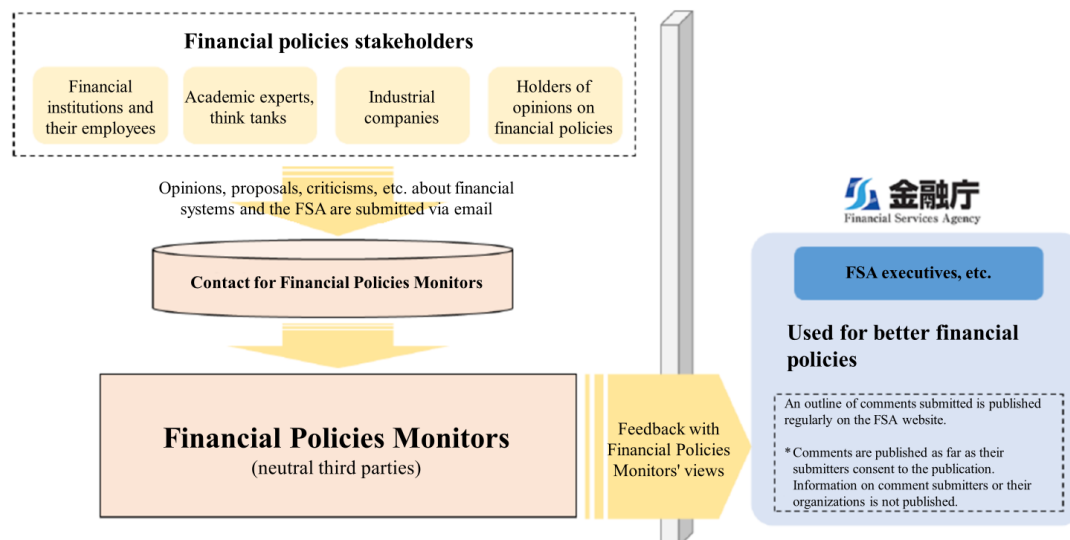
Given this situation, the FSA in January 2016 launched a Contact for Financial Policies Monitors through which neutral third parties (hereinafter,

Financial Policies Monitors*), instead of FSA officials, hear opinions, proposals and criticisms directly from financial institutions, their employees, academic experts, think tanks, industrial companies, and others that have opinions about financial administration. The received can then be reflected in financial policies.

(*) Financial Policies Monitors

- ◆ **INOUE Satoshi**
Attorney at law (Partner, Nagashima Ohno & Tsunematsu)
- ◆ **KANSAKU Hiroyuki**
Professor, Graduate School of Law, Gakushuin University
- ◆ **SHIRASU Yoko**
Professor, Department of Economics, Aoyama Gakuin University
- ◆ **NAGASAWA Yumiko**
Organizer, Foster Forum (forum to foster quality financial products)
- ◆ **YONEYAMA Takau**
Professor, Faculty of Business Administration, Tokyo Keizai University
- ◆ **WANI Akihiro**
Attorney at law (Senior Counselor, Greenberg Traurig Tokyo Law Offices)

Reference: Flow of Financial Policies Monitoring



Comments received through the Contact for Financial Policies Monitors

Opinions received through the Contact are submitted to FSA senior officials along with views of Financial Policies Monitors. As of December 31, 2023, 319 opinions have been received. The FSA publishes the outline of these opinions on its website along with its responses.

Some opinions have led to institutional revisions, such as the flexible handling of the fiscal year for foreign bank branches and the elimination of the standard amount for reporting scandals related to cash and other losses. Recent opinions include one about the handling of "the presence of relatives, etc." for elderly persons' conclusion of insurance contracts.

Conclusion

The FSA hopes that the Contact for Financial Policies Monitors will continue to be used as a channel for conveying opinions and proposals about financial policies to the FSA.

For details, see the "Financial Policies Monitor" page on the FSA website.

<https://www.fsa.go.jp/monitor/index.html> (Available in Japanese)



If you have any general questions or opinions regarding financial policies and services or any specific problems with financial institutions, please contact the FSA's Financial Services User Consultation Office.

Reference: Response to Opinions Received

◆ Measures regarding the handling of "presence of relatives, etc." for insurance solicitation for the elderly

[Opinion Received]
Elderly customers may have a decline in cognitive judgment ability and fail to understand the terms and conditions of insurance contracts when concluding them. Therefore, when an insurance company enter into insurance contracts with elderly customers, it should be mandatory to have the customer's relatives present.

[FSA Response]
The guidelines for dealing with the elderly by the Life Insurance Association of Japan and the General Insurance Association of Japan recommend four measures to be taken at the time of insurance solicitation for the elderly -- the presence of relatives, etc., multiple insurance agents' engagement, multiple opportunities of insurance solicitation, and confirming insurance products in line with elderly customers' intentions -- from the perspective of the characteristics of the elderly and problem prevention, urging insurance companies to develop arrangements in which these measures are combined to secure appropriate and sufficient explanations to the elderly. For the solicitation of foreign currency-denominated and other insurance products with market risk, particularly, the guidelines call for combining the presence of relatives and multiple opportunities of insurance solicitation in principle.
Given that some elderly people have considerable financial literacy or are reluctant to see the presence of relatives at the time of contracting, the situation regarding how to deal with elderly people may change depending on each customer. Therefore, it may be desirable to leave insurance companies and agents to devise appropriate measures according to the characteristics of insurance products and customers, rather than establishing any uniform regulations.
The FSA's comprehensive supervision guidelines for insurance companies includes the same four measures mentioned in the industry's guidelines, including the presence of relatives, etc. for dealing with the elderly. Based on the supervision guidelines, the FSA encourages the ingenuity of insurance companies based on the intentions of customers and the characteristics of their products, while monitoring insurance companies and agents through the analysis of complaints and other means. The FSA will continue to firmly encourage insurance companies to take appropriate measures from the perspective of customer-oriented business operations.

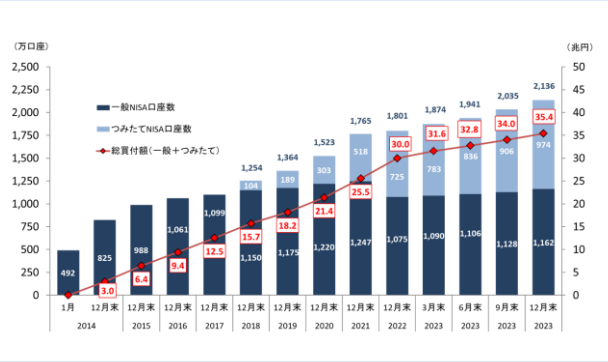
"NISA Day (February 13)"

The new NISA started in January this year. The new NISA is one of the effective options for a wide range of people, from those in their youth to those in their old age, to build stable assets through long-term, cumulative, and diverse investment according to their life plans and stages.

At the end of December last year, there were about 21.36 million NISA accounts.*1 One of every five adults use NISA, indicating that NISA is becoming widespread as a means of asset formation in today's society where lifestyles and work styles are becoming diverse. Please see the chart below for an overview of the NISA and its effective use.

| | Tsumitate investment quota | Growth investment quota |
|-------------------------------------|---|--|
| | Available for combination | |
| Tax-free period | Unlimited | Unlimited |
| Program duration (account duration) | Permanent | Permanent |
| Annual investment quota | 1.2 million yen | 2.4 million yen |
| Tax-free investment limit (Total) | 18 million yen | |
| | | 12 million yen (total growth investment quota) |
| Investment targets | Certain mutual funds suitable for long-term, cumulative, and diverse investment (Limited to mutual funds that meet the FSA standards) | Listed stocks, mutual funds, etc.* |
| Qualifying age range | 18 or older | 18 or older |

*Excluding (1) liquidation or supervision post stocks, and (2) mutual funds for trust periods of less than 20 years, monthly dividend mutual funds, and certain mutual funds that use derivatives trading.
Note: Products subject to investment through Tsumitate and ordinary NISA accounts by the end of 2023 will be managed outside the NISA framework from January 2024 and subject to tax exemption under the NISA program until 2023.



February 13 is NISA Day. In order to make NISA more known to the public, the FSA is working on (1) the renewal of a website for NISA*2 and the enhancement of campaigns through the official X (formerly Twitter) account*3 for "Tsumitate wa-

nisa," and (2) the "New NISA × Mirai Produce" event to promote NISA.

To make it easier for people to visualize how to use NISA, the website for NISA has newly posted seven cases that take advantage of the characteristics of the Tsumitate (installment) investment quota and the growth investment quota, in addition to an overview of the NISA and the basics of asset formation. The wa-nisa X account disseminates information on events and seminars and offers campaigns where people can win wa-nisa goods.

On February 20, we will hold the third "New NISA × Mirai Produce" (JUMP edition) event. HOTOHARA Toru will serve as master of ceremony and MATSUI Airi as his assistant. Among other performers in the event will be TSUBASA (ENJIN), HYUGA (ENJIN), ABE Wakana (NMB48), KAJIGAYA Takuya, Suehirogarizu, Nishonoseki stable-master (the 72nd Yokozuna Kisenosato), and MATSUDA Daisuke (Tokyo Dynamite). Senior Vice-Minister IBAYASHI Tatsunori will also appear to commemorate the final event. As the event is easy to understand even for newcomers, we hope that many people will participate.

(Photo deleted due to termination of contractual relationship)

*1 The total of former ordinary and Tsumitate (installment) NISA accounts (preliminary data)
*2 website for NISA: <https://www.fsa.go.jp/policy/nisa2/> (Available in Japanese)
*3 Tsumitate wa-nisa X (former Twitter) account: https://x.com/Wa_nisa_FSA (Available in Japanese)

Preparation of a leaflet for corporations on continuous customer management as the basis for anti-money laundering measures

In recent years, there have been cases where corporate accounts have been misused for crime, such as account buying and selling, and special fraud.

We have prepared a leaflet for corporations regarding continuous customer management, which

is the basis of anti-money laundering measures. For details, please visit the FSA website.

<https://www.fsa.go.jp/news/30/20180427/20180427.html> (Available in Japanese)

本人確認書類です

事業内容はここらです

こちらが取引目的です

えーっと...

ん?

言えないのかにゃ?

と、いうことは...

ドキ!!

金融犯罪組織を見逃さない!!

金融機関をご利用のお客さま一人一人の情報を確認することで
犯罪収益の移転やテロ資金供与を、防止することができます

詳細は金融庁HPをチェック

マネロン対策は、金融機関だけでなく国家として取り組む金融犯罪の防止策です。
犯罪組織やテロリスト等への資金の流れを止めることで犯罪やテロを未然に防止し、
安全・安心な社会を築くためご理解とご協力をお願いします。

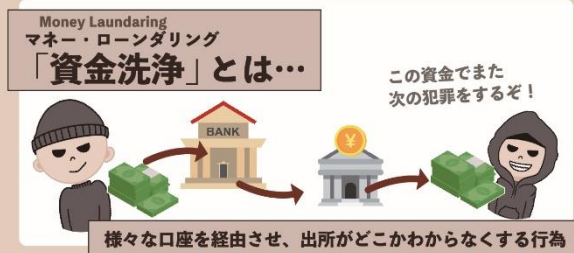
金融庁
Financial Services Agency

警察庁
National Police Agency

金融犯罪を防ぐ「マネロン対策」に 私たちの口座も、関係があるって ご存知でしたか？

犯罪や不当な取引で得たお金を、キレイなお金に見せかける
「マネー・ローンダリング」、略して「マネロン」。

犯罪組織やテロ組織は、一般利用者に紛れ架空の口座や他人
名義の口座を利用するなど、様々な手口を使ってマネー・ロー
ンダリングを行っています。



これを防ぐためには、金融機関がお客様の情報を継続的に
確認する必要があります。



金融犯罪組織を

見逃さない！！

そのために・・・

金融機関からの お客様情報の確認依頼に ご協力をお願いいたします

お取引の内容、状況等に応じて、過去に確認した住所
や事業内容、株主情報等について、窓口や郵送書類等
により再度確認をさせていただく場合があります。
またその際に、各種書面等の提示をお願いする場合が
あります。



⚠️ 金融機関が、暗証番号やパスワードの情報をお聞きするようなことは絶対にありません。



期限までに回答しないと、どうなるの？

取引が一部制限される場合があります。
不審な取引が見られる場合は、口座が乗っ取られていることや、本来の
名義人でない方が不正利用しているおそれもあるので、窓口でないと預
金の引き出しができなくなったり、一度に多くの金額を送金できなく
なったりすることもあります。
金融機関からお客様情報の確認を求められた場合は、是非ご協力をお願
いします。

金融庁
Financial Services Agency

警察庁
National Police Agency

JFSA's Major Activities in January (January 1 to January 31, 2024)

- [Publication of the Report by the Working Group on Tender Offer Rule and Large Shareholding Reporting Rule of the Financial System Council \(January 30, 2024\)](#)
- [Initiatives by the financial industry to enhance their asset management businesses \(January 24, 2024\)](#)
- [Request for Proposals for "Special Zones for Financial and Asset Management Businesses" \(January 19, 2024\)](#)
- ["the Code of Conduct for ESG Evaluation and Data Providers" : 21 ESG Evaluation and Data Providers have endorsed the "Code of Conduct" as of December 31, 2023 \(January 17, 2024\)](#)
- [TSE to Publish a List of Companies That Have Disclosed Information Regarding "Action to Implement Management That Is Conscious of Cost of Capital and Stock Price" \(January 15, 2024\)](#)
- [Initiatives for Corporate Governance Reform \(January 15, 2024\)](#)
- [Administrative Actions Against SBI SECURITIES Co., Ltd \(January 12, 2024\)](#)
- ["Japan Fintech Week 2024" website is now officially launched. \(January 12, 2024\)](#)
- [Major information about measures taken by FSA, Local Finance Bureaus, and financial industry related to the Noto Peninsula Earthquake in 2024 \(January 4, 2024\)](#)

JFSA's official English X(formerly Twitter) account
https://x.com/JFSA_en



**We are promoting
information dissemination
using X (formerly Twitter) !**

Editorial Postscript

As the beginning of spring comes following the winter solstice, I feel that dawn is coming earlier day-by-day. Looking at the buds of the Christmas roses peeking out of the ground and small mimosa flower spikes, I feel the signs of spring even in the cold. There are many times when I notice that many days have passed, but I feel the importance of checking to keep an eye on changes in everyday life. But I'm scared that signs of spring will come from my eyes and nose.

As discussed in the notices section of this issue, February 13 is "NISA Day." I see increasing opportunities to hear about NISA in my everyday life. We hope that this program as a means of stable asset formation will be integrated into our day-to-day lives.

YANO Shohei, Director of the Public Relations Office, FSA
Edited and issued by the Public Relations Office, FSA

(*The opinions expressed in this report are the personal views of the author and do not necessarily reflect the organization with which the author is affiliated.)