

4

2022

April

Monthly
magazine

Financial Services Agency Newsletter

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Provisional
Translation

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Meeting to Exchange Views on the Facilitation of Finance for SMEs – Request for Financial Institutions' Cooperation for Cash Flow Support to Companies –

Under circumstances where diverse types of companies have been facing difficulties due to the prolonged impact of the COVID-19 pandemic over two years, with other concerns over the situation in Ukraine and increasing oil prices, etc., and in consideration of possible increases in demand for operating capital toward the fiscal year end, the Financial Services Agency (FSA) held a meeting for exchange of opinions on facilitation of finance for small and medium-sized enterprises (SMEs)* between government officials, including Minister of State for Financial Services SUZUKI Shunichi, and representatives of public and private financial institutions on March 7, 2022.



Photo: Minister SUZUKI making a statement at the meeting

At the beginning of the meeting, Minister Suzuki asked the representatives of financial institutions for their cooperation again in providing cash flow support to companies that are still in a difficult situation amid further expansion of the COVID-19 pandemic due to the omicron variant and other concerns over the situation in Ukraine and increasing oil prices, etc.

Furthermore, as it will become more and more important next fiscal year to offer support for business rehabilitation to companies suffering increasing debts, Minister SUZUKI also requested the representatives to effectively utilize the "Guidelines on Business Rehabilitation, etc. of Small- and Medium-sized Enterprises" (the "Guidelines"), which were compiled under the initiative of the Japanese Bankers Association, and the "Revitalization Package for Small- and Medium-Sized Enterprises" (provisional English titles), which the FSA published jointly with the Ministry of Economy, Trade and Industry, and to make efforts for ensuring support for companies facing severe business environments.

Opinions of the representatives of public and private

financial institutions who participated in the meeting include the following:

- We will give the highest priority to providing cash flow support in light of the prolonged impact of COVID-19 due to the omicron variant and increasing concerns over the situation in Ukraine and increases in oil prices.
- We will support business rehabilitation of companies that are suffering increases in debts due to the prolonged impact of COVID-19, while fully utilizing the Guidelines.

The FSA issued a document to request cooperation as above to public and private financial institutions in the joint names of relevant ministries. Additionally, as cooperation of the Regional Economy Vitalization Corporation of Japan and the Organization for Small & Medium Enterprises and Regional Innovation is considered to be indispensable in broadly disseminating the Guidelines and encouraging SMEs to improve their profitability, rehabilitate their businesses, and take on challenges, the FSA also issued a document to request their cooperation. The FSA publicly disclosed both documents to disseminate the content thereof.

<Financial industry organizations that participated in the meeting for exchange of opinions>

Japanese Bankers Association, Regional Banks Association of Japan, The Second Association of Regional Banks, National Association of Shinkin Banks, National Central Society of Credit Cooperatives, Trust Companies Association of Japan, National Association of Labour Banks, The Norinchukin Bank, Japan Finance Corporation, Japan Federation of Credit Guarantee Corporations, The Okinawa Development Finance Corporation, The Shoko Chukin Bank Ltd., Development Bank of Japan Inc., Japan Housing Finance Agency



Photo: State Minister KIKAWADA(left) and Parliamentary Vice-Minister MUNEKIYO (right) participating in the meeting

* For a notice titled "Facilitation of Fiscal Year-end Finance for Companies and Facilitation of Finance for Companies, etc.," see <https://www.fsa.go.jp/en/ordinary/coronavirus202001/20220509top-1.html>.

"Regional Banking Summit (Re:ing/SUM)"



"Nikkei Regional Revitalization Forum"

◆ Preface

The FSA has held an event titled "Regional Banking Summit (re:ing/SUM)" as an opportunity for discussions between regional financial institutions and intellectuals with diverse backgrounds in various fields, with the aim of creating regional financial institutions' sustainable business models and facilitating the development of ideas and measures that will contribute to revitalizing local economies.

This fiscal year as well, jointly with Nikkei Inc., the FSA held the event by online distribution on weekends from Friday, February 11 to Saturday, February 26.*1 In particular in this fiscal year, the event provided a mechanism to enable interactive communications among participants in an online virtual space (virtual networking space), aiming to achieve effects similar to those through actual exchanges among participants in a real setting.

For each content, diverse intellectuals and officers of a number of regional financial institutions participated and exchanged opinions and had discussions steadily and sometimes boldly in a highly creative manner on a wide range of themes, including expected support for companies and match-ups of managerial personnel, as well as other themes that will become increasingly important, such as SDGs and ideal financial services in a super-aged society. This report provides brief summaries of each content.

◆ Summaries

● Opening Remarks

In his opening remarks, Minister SUZUKI mentioned the necessity for support from various fields in restoring the Japanese economy, which has been seriously damaged due to COVID-19 infections, and



expressed his expectation that regional financial institutions will fulfil their functions in line with actual needs of companies by not only providing financial intermediary services but mediating human resources and information as well.

● Panel Discussions

[Category: Regional banks' business models]



- Organizational operations for achieving financial intermediary services that will bring about added value to customers and local communities

Mr. TSUEMURA Shuji, President of Hokkoku FG, Mr. FUJIWARA Ichiro, President of the Bank of Nagoya, and Director of the Banking Business Division II of the FSA, SHIBATA Tatsufumi, frankly exchanged opinions and discussed the ideal form of banking in the future, efforts and challenges for achieving that, and key points and the relationship with the authority in managing business operations.

- New flow of personnel from large companies
 - Create a future of local communities through match-ups of human resources –

Panelists from regional financial institutions engaging in match-ups of human resources and panelists from entities endeavoring to facilitate moves of employees of large companies to regional SMEs and support their career development and from entities assisting SMEs with their acquisition of personnel had discussions on expected roles of regional financial institutions as match makers in the situation where increasing diversification of careers is creating a new flow of personnel from large companies to SMEs.

- Operational ingenuity in organizational and business structures of financial institutions that can offer support to companies for their management improvements
 - Comparison with business practices in the United States –

Panelists from entities engaging in services for business rehabilitation and improvements discussed the importance of securing and fostering human resources to enable Japanese financial institutions to grow together with their customer companies and to hand down know-how, etc. in

*1 This event is distributed online from the archives and can be viewed for a certain period of time by accessing the following URLs.

FSA's website: <https://www.fsa.go.jp/news/r3/ginkou/20220125/20220125.html> (Available in Japanese)

Nikkei CH: <https://channel.nikkei.co.jp/reingsum2022/#> (Available in Japanese)

- Committee to Convey the Appeal of Regional Banks – Proposals of those under 35 for organizational vitalization

Panelists from regional banks that adopt a side-job/multi-job framework and intellectuals who know the effects thereof discussed what is expected and what positive impacts may be created by this framework from the perspective of the increase of employees' motivation through their skill and career development and their contribution to and influence on the entirety of individual organizations.

- For enabling independent directors to better perform their roles

Experts with rich experience of serving as an independent director at financial institutions, etc. exchanged opinions and had discussions on the roles of independent directors that will become more and more important in the future and preferable relationships with relevant organizations and executive bodies to enable independent directors to properly perform their roles.

[Category: SDGs and ventures]

- Local communities and SDGs – Learn from the apparel industry

Panelists working for vitalizing local communities from the perspective of SDGs talked about concrete initiatives by the apparel industry and concrete recycling activities by regional financial institutions jointly with companies, and discussed how to incorporate SDGs in businesses and how to position SDGs in corporate strategies.

- For creating regional decarbonized industrial energy system

Panelists working for decarbonization discussed roles that regional banks should play in promoting decarbonization in industrial clusters, and challenges therefor, such as how to make collaboration with local governments, secure required human resources, and develop common views within individual organizations.

- Vitalization of Japanese companies and economy through fostering ventures and collaboration with regional financial institutions

Panelists working for fostering ventures discussed ideal collaboration between regional financial institutions and the national and local governments, ventures and universities, and regional financial institutions' roles in supporting ventures.

(Category: Support for companies)

- Sharing of know-how and the potential of AI

Panelists from regional banks and Credit Guarantee Corporations that are endeavoring to support companies and intellectuals in the field of artificial intelligence (AI) discussed the importance of sharing specific knowledge and know-how on site on a case-by-case basis, and the possibility of the use of AI and other technologies to achieve more effective and efficient support for companies.

- From the front lines in activities for revitalizing regional economies and businesses rehabilitation

Panelists working on the front lines in activities for business rehabilitation discussed the necessity for regional financial institutions to make voluntary efforts for broadly offering support for local industries, in addition to support for individual companies, and the importance of fostering human resources who will maintain their love for local communities and humanity.

- Conclusion (Support for companies)

Director of the Banking Business Division II, SHIBATA, made a statement that, for achieving the rehabilitation of businesses and local communities, which are the very purposes of support for companies, it is important not only to have individual employees of financial institutions enhance their abilities to offer support but also to create a cross-organizational network and fully utilize AI and other highly advanced means for rehabilitation. He stated that the FSA is committed to backing up the initiatives of regional financial institutions and supporting organizations to share know-how and knowledge on support for companies across regions, organizations and business categories.

● Closing Remarks

Parliamentary Vice-Minister MUNEKIYO stated that he expects that this event will help regional financial institutions consider their roles in supporting local economies and industries, promote initiatives to provide diverse support to



companies, not only from financial aspects, but also in terms of human resources and information and broadly connect persons interested in SDGs and other social issues and the creation of innovation, thereby developing various ideas and outcomes.

FIN/SUM 2022

– Speeches by Minister SUZUKI and State Minister KIKAWADA –

The FSA and Nikkei Inc. jointly held the "FIN/SUM 2022," the largest FinTech conference in Japan, for three days from March 29 to 31.



〔 Photo: A scene from the "FIN/SUM 2022" 〕

From the perspective of taking every possible measure to prevent coronavirus infection, the participants in this conference took measures to avoid the three Cs (closed spaces, crowded places, and close-contact settings), and the conference sessions were held both in-person and online, using an online conferencing system that allowed remote participation and live streaming.

On March 30, the second day, a symposium sponsored by the FSA was held with the theme of "Scaling Finance for Sustainable Growth." With the awareness that finance needs to evolve to contribute to the solution of climate change and other social problems and sustainable growth of the economy, discussions were held among experts invited from the academic world, technology community, companies, financial authorities, central banks, etc. from a variety of perspectives for the following seven sessions: "Scaling Financial Infrastructure," "Scaling Regulatory Capacity," "Responsibility for Digitalization," "New Forms of Financial Services in Japan," "AML/CFT in the Age of Blockchain," "Japan as an International Financial Center," and "Present and Future of Climate Tech."

Presented here are the texts of opening remarks by Minister SUZUKI and closing remarks by State Minister

KIKAWADA.

[Opening Remarks by Minister SUZUKI]

I am Shunichi Suzuki, Minister of State for Financial Services. Thank you very much for participating in the FIN/SUM 2022 today. As the organizer of the JFSA Symposium, I would like to extend my greetings.

As digitalization of society accelerates, the provision of a variety of financial products and services utilizing innovative technologies such as blockchain and AI is advancing. I welcome the efforts toward innovation in the financial sector driven by various players, including not only traditional financial institutions, but also start-ups and new-comers from non-financial businesses.

This is because these new financial services have the potential to contribute to the resolution of social issues facing Japan and international society, and to the sustainable growth of the economy. Issues such as the aging population, climate change, regional revitalization, and support for the growth of small and medium-sized enterprises are some examples.

As an example of FinTech's contribution to solving social issues, in Europe and the U.S., services that provide functions such as estimating the CO2 emitted during the manufacturing of products and displaying and comparing the results on apps are expanding, mainly targeting the younger generation. The key to building a sustainable society is for each and every individual to act responsibly. I believe it is very desirable to develop and spread financial services that encourage people to change their behavior through the use of technology.

As new financial services are provided by platformers and services that harness digitalization, such as digital assets and cashless payment methods, are expanding, it is also essential for us to support innovation in order to reinforce the new engine of growth from the financial side.

At the same time, it is necessary to improve the regulatory environment appropriately to protect users, stabilize the financial system, and deter financial crimes. Some people may think that regulation is an obstacle to innovation, but I believe that services that cannot be used with confidence by the public will not be regarded as sustainable or promising. There may be gaps in thinking among regulators, businesses, engineers, and others. However, I believe that we can encourage innovation and create value for the future under an appropriate regulatory environment, by engaging in constructive dialogue and building cooperative relationships among the parties involved.

Furthermore, in order to improve Japan's attractiveness as a place to do business, it is also important to attract human resources, companies and funds with the aim of becoming an international financial center. The JFSA, in cooperation with the relevant ministries and agencies, has been working on a variety of initiatives, such as English-language administrative support, measures related to regulations and taxation, and improvement of the business environment and lifestyle issues. In the future, we will make further efforts to attract overseas asset managers, etc., and strongly promote the development of the environment for the promotion of sustainable finance, including the Green International Finance Center, in order to contribute to the revitalization of investment and financing for the construction of sustainable societies in the world and Asia.

Common to all of these issues is the need for further scaling and growth of the financial ecosystem, including financial authorities, in order to solve social problems and achieve sustainable economic growth. This is the underlying root of this symposium's theme, "Scaling Finance for Sustainable Growth". I hope that all of you who are attending and watching this symposium today will become leaders in this movement.

In closing, I would like to thank all speakers for their participation. I would also like to thank Nikkei for their efforts in organizing this conference as a co-organizer. I hope that today's discussion will be evocative and

contribute to innovation in your businesses. Thank you very much for your attention.



Photo: Minister SUZUKI delivering opening remarks

[Closing Remarks by State Minister KIKAWADA]

I am Hitoshi Kikawada, State Minister of the Cabinet Office. As the organizer, I am pleased to close the FIN/SUM 2022 JFSA Symposium. Thank you very much for joining us today for the 6th FIN/SUM. I would also like to thank our co-organizer, Nikkei for their efforts in organizing this event.

The theme of this year's symposium was "Scaling Finance for Sustainable Growth", in other words, how finance should be today and in the future to achieve sustainable growth. We had discussions from a variety of perspectives with experts including ones from financial institutions, FinTech companies, and academia, in addition to the authorities.

Looking back at the history of financial services, there was a time when one had to go to a bank counter with a bankbook and seal to deposit money or withdraw deposits, and later, with the advent of ATMs, it became possible to deposit and withdraw money from banks even on holidays. Recently, it has become possible not only to make online payments and remittances using Internet banking, but also to receive financial services without being aware of financial institutions when users purchase products and services from companies outside the financial industry. For example, there are apps provided by non-financial business that allow users not only to purchase products,

but also to use financial services such as remittance, asset management, and loan using the app's usage record. Such so-called embedded finance is being realized not only by financial institutions and FinTech companies, but also by non-financial companies that have joined forces to leverage their respective strengths. In addition, services in new areas such as crypto-assets and decentralized finance using blockchain technology are also emerging.

The first ATMs were used in Japan more than 50 years ago, but no one could have predicted the current situation 50 years ago. And it is also difficult to predict how financial services will evolve 50 years from now. However, if there is one thing I would like to say, it is that no matter how financial services evolve, I would like them to develop services that are valuable to society as a whole. From this point of view, I am very encouraged by the emergence of financial services that respond to various social issues that are happening right now, such as the need for non-face-to-face contact due to COVID-19 and the need for environmental measures in light of climate change. In order to accelerate this progress, the digitalization of finance is essential. It is necessary for all parties involved to promote this movement actively.

Last but not least, in order for finance to create value and contribute to the sustainable growth of the economy, I believe it is important for both the authorities and the private sector, financial and non-financial sectors, to work together. I hope that FIN/SUM will provide a step towards these kinds of collaboration. This will be my closing remarks for today. Thank you very much for your attention.



{ Photo: State Minister KIKAWADA delivering closing remarks }

FSA's Activities under Global Money Week (GMW)

What comes to mind first as an event in late March? While there are various events that may come to mind, including the graduation ceremony, cherry blossom watching, and the national senior high school baseball tournament, we hope that Global Money Week will join the ranks of such popular spring events.

GMW, which is held for a week around March 20 each year, is an international event launched in 2012 in order to promote financial education among children and youth, and to enlighten them about financial inclusion. Since 2020, GMW has been sponsored by the International Network on Financial Education (INFE), the secretariat for which is located within the Organization for Economic Cooperation and Development (OECD). It is a huge event that helped more than 200 million people around the world become more familiar with matters of finance last year (GMW2021). This year, during the March 21-27 week, various organizations across the world held events to promote financial education for children and youth. In Japan, the Financial Services Agency (FSA) and the Bank of Japan (BOJ) are the authorities responsible for GMW.

Because of the effects of COVID-19, it still remains difficult to hold large in-person events, but in addition to the FSA and the BOJ, financial industry associations and financial institutions as well as private organizations involved in financial education participated in GMW. The FSA, in cooperation with Nikkei Inc., arranged a roundtable discussion among members of QuizKnock, a group of brainy media personalities popular among youth, the text of which is available on a special section of the

news organization's website.* The FSA also appeared in a special program on financial education broadcast by BS TV TOKYO. In addition, the Hokkaido and Kinki Local Finance Bureaus, together with the BOJ and relevant financial industry associations, held symposiums focusing on themes such as the lowering of the adult age. Other organizations and companies conducted activities such as holding relevant events and promoting awareness about financial education.

One background factor of the widespread participation in GMW is the increased public interest in financial education due to the inclusion of asset building as a learning item in the home economics subject as a result of the revision of the Course of Study for senior high schools in April 2022. Another factor is the effects of the lowering of the age of adulthood, such as the removal of a ban on senior high school students' application for credit cards. Bearing in mind those changes in the financial environment, the FSA, the BOJ and relevant organizations have developed various teaching materials and disseminated information in various ways. The FSA felt the strong public interest as it handled a very large number of media inquiries and interviews.

However, it is from the beginning of FY2022, precisely this April, that teaching based on the new Course of Study starts in classrooms and that people aged 18 or older are treated as adults. In that sense, we are just entering a crucial period, so we must further advocate financial education. To ensure that GMW becomes entrenched as a new popular spring event, the FSA will step up financial education efforts.



* Regarding the special section, see the website of Nikkei Inc. at: <https://ps.nikkei.com/okanenokyoshitsu/gmw2021/index.html> (Japanese)

Activities of the FSA-MOE Partnership Team for Achieving Revitalization to Create Sustainable Local Economies and Communities

SUMIMOTO Fumiya, Unit Chief, Better Regional Finance Office,
Planning and Management Division, Supervision Bureau

The FSA and the Ministry of the Environment (MOE) established the Partnership Team for Achieving Revitalization to Create Sustainable Local Economies and Communities*¹ (hereinafter referred to as the "FSA-MOE Partnership Team") on March 31, 2021, with a view to sharing knowledge and knowhow, and working together toward achieving economic and social revitalization and creating sustainable local economies and communities. Since then, the FSA and the MOE have continued activities to address problems about which concerns have been raised in various places across Japan.

On March 2, 2022, the Online Event of the FSA-MOE Partnership Team for Achieving Revitalization to Create Sustainable Local Economies and Communities was held in order to explain activities in which the FSA-MOE Partnership Team has been involved so that information dissemination regarding regional activities can be enhanced and networks can be formed.

First, TSUNEKAWA Mayumi of Shikoku Environmental Partnership Office explained activities conducted by Local SDGs Shikoku (hereinafter referred to as "LS Shikoku").*²

As a platform for creating activities that contribute to local SDGs (a regional circular and ecological sphere), LS Shikoku is engaging in activities to look for and train personnel capable of identifying problems, communicating information on activities and looking at things from the viewpoint of local SDGs. In addition, various working groups are holding discussions on creating a multi-cultural disaster mitigation community which prepares disaster prevention and mitigation programs for foreign residents while conducting surveys and studies on introducing renewable energy using the Shikoku region's resources and learning domestic and foreign approaches to disaster prevention and relief.

In November and December 2021, LS Shikoku, in cooperation with partner organizations such as the Shikoku Local Finance Bureau, FSA and the MOE, held the Dialogue for Using Shikoku's Forests in order to identify and share various problems related to sustainable forests and livelihoods in such forests, form a new network of local governments, financial institutions, and people engaging in forestry and resolve the identified problems.

Through this dialogue, people engaging in forestry have

been paired up with financial institutions and companies making labor-saving efforts in the forestry industry. LS Shikoku will continue to engage in activities to resolve problems while identifying problems and supporting network formation among relevant people and organizations within and outside the region.

Next, IRIKUCHI Sho of Noto Kyoei Shinkin Bank explained a local SDGs project in Nanao City, Ishikawa Prefecture.

In Nanao City, the Nanao Chamber of Commerce and Industry, Noto Kyoei Shinkin Bank, Japan Finance Corporation and the Nanao City government concluded a four-party agreement in January 2014 on working together to support business startups. In October 2021, building on an existing platform led by industry, a partnership team operated by nine organizations from industry, academia, government and the financial sector established the Nanao SDGs Consortium, also known as Nanao SDGs Switch, which is intended to promote SDGs and ESG through cooperation between industry, academia, government and the financial sector.

In order to strongly promote local SDGs in Nanao City, Nanao SDGs Switch has implemented various activities, such as conducting surveys asking citizens and business



Photo: A scene of a lecture at Noto SDGs Citizens' University

operators about their awareness of SDGs, providing visiting lessons regarding SDGs and social businesses at schools (elementary and junior and senior high schools) in the city, opening Noto SDGs Citizens' University, where all stakeholders learn about the current situation of the region, and opening an SDGs consultation service for small and medium-sized enterprises.

*¹ For detailed information on the Partnership Team for Achieving Revitalization to Create Sustainable Local Economies and Communities, access the following URL: <https://www.fsa.go.jp/news/r2/20210330/20210322.html>. (Available in Japanese)

*² Local SDGs Shikoku (LS Shikoku): LS Shikoku is a platform for promoting activities to create a regional circular and ecological sphere, that is, to achieve the local SDGs, in order to resolve regional problems in Shikoku and promote the development of sustainable communities. It provides opportunities for relevant people in industry, academia, government, and the financial sector to learn from and support each other in order to create attractive communities in various parts of Shikoku.

For detailed information, please see the website of LS Shikoku at: <https://ls459.net/>. (Available in Japanese)

Regarding Noto SDGs Citizens' University, the FSA-MOE Partnership Team was involved in planning and managing some lectures and introduced lecturers. Some companies expressed hopes to help to preserve Noto's

traditional townscape by holding workshops in which entities and people with various attributes—including people across many generations, from youth to the elderly, private-sector companies, and local governments—consider Nanao City's future vision in order to publicly communicate the allure of the region's mountains and seas and increase tourists. Others voiced hopes to use information obtained through Noto SDGs Citizens' University to launch new businesses.

Nanao SDGs Switch declared that in FY2022, it will build on the results of activities in FY2021, help residents draw up the region's future vision (scheduled to be drawn up in FY2022) and continue to promote new activities.

Finally, KUNISU Takashi of Yonago Shinkin Bank explained activities to realize a decarbonized society and increase the sustainability of the regional economy through the dissemination of renewable energy.

With regard to economic activities in Yonago and Sakaiminato Cities, which are located in the western part of

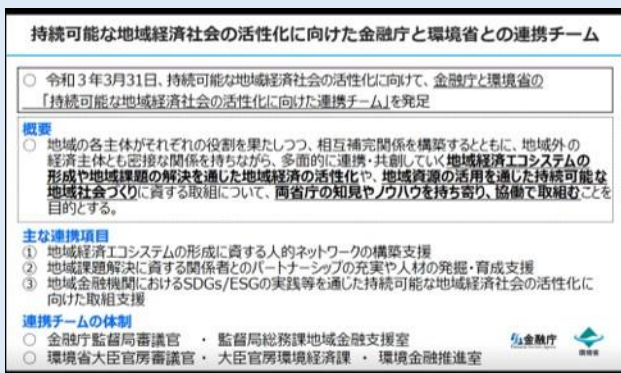


Photo: A scene of the Online Event of the FSA-MOE Partnership Team for Achieving Revitalization to Create Sustainable Local Economies and Communities

Tottori Prefecture, the deficit in the energy account makes up around 40% of the current account deficit. Introducing, disseminating and making efficient use of renewable energy in the region can be expected to curb fund outflows from the region in the form of energy bills and attract fund inflows. Therefore, Yonago Shinkin Bank is striving to develop a local energy production and consumption model based on a solar panel power generation (PPA) business using rooftop solar panels owned by third-parties, following the MOE's adoption of this business as an ESG regional finance promotion project.

In FY2021, Yonago Shinkin Bank, in cooperation with local governments, business operators and supporting organizations, conducted a survey of the market environment, studied risks involved in introducing solar energy, and designed a business scheme. Going forward, Yonago Shinkin Bank aims to extend the model from the western part of Tottori Prefecture to the whole of the prefecture in cooperation with local governments, other regional financial institutions, and business operators.

《List of speakers, etc. at the online event on March 2》

～ Explanations about regional activities ～

Speaker: TSUNEKAWA Mayumi, Shikoku Environmental Partnership Office "Explanations about LS Shikoku, a Local SDGs platform"
Speaker: IRIKUCHI Sho, Noto Kyoei Shinkin Bank "Implementing Nanao Version of Local SDGs Project Together with Citizens"
Speaker: KUNISU Takashi, Yonago Shinkin Bank "Activities toward Realizing Decarbonized Society and Increasing Sustainability of the Regional Economy through Dissemination of Renewable Energy"

～ Explanations about measures taken by ministries ～

Speakers: WADA Hiroki, Ministry of Land, Infrastructure, Transport and Tourism; KITAE Yorikazu, Development Bank of Japan "Green Infrastructure and Investment in Green Infrastructure"
Speaker: SAITO Daichi, Ministry of Education, Culture, Sports, Science and Technology "Regarding Support for Resolving Regional Problems through Support for the Formation of Forums for Co-Creation—A Policy Measure by Ministry of Education, Culture, Sports, Science and Technology"
Speaker: KIKUCHI Yutaka, Ministry of the Environment "ESG Finance Activities Centering on Response to Climate Change"

In addition, Mr. KUNISU provided explanations about the formation of networks for developing sustainable communities, which is the objective of this event, and about environment-friendly measures, and he exchanged views with the event's participants.

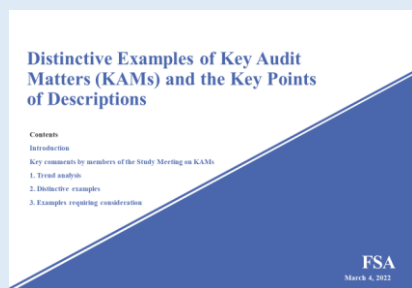
Some event participants expressed hopes to use insights gained by hearing about other regions' activities for their own future activities, while others said that they formed connections with like-minded people through dialogue with other participants.

The FSA-MOE Partnership Team will continue to collaborate with and support activities that are effective in revitalizing regional economies through the formation of regional economic ecosystems and the resolution of regional problems and in developing a sustainable local community, or a regional circular and ecological sphere, through the use of regional resources.

Distinctive Cases of Key Audit Matters (KAMs) and the Key Points of KAM Descriptions

KAKOGI Shinsuke, Deputy Director, Corporate Accounting and Disclosure Division, Policy and Markets Bureau
 FUNAKI Hirofumi, Corporate Accounting Examiner
 YOSHIDA Keigo, Section Chief

1. Introduction



In order to ensure that key audit matter (KAM) practices take hold and spread, the FSA held the Study Meeting on KAMs, which was attended by academicians, investors, analysts, and representatives from companies and audit firms, and collected various opinions from them on KAM descriptions and trends.

The FSA sorted out distinctive examples discussed at the Study Meeting and the key points of KAM descriptions of KAMs and published them in an attachment to the press release titled "Distinctive Examples of Key Audit Matters (KAMs) and the Key Points of KAM Descriptions."* Explained below are the major points of the attachment to the press release.

Please note that the opinions expressed in this article are the personal views of the author.

2. Outline of KAMs

KAMs are matters which have been judged by external auditors as professional experts to be particularly important in the audit of companies' financial statements in the current fiscal year.

KAM descriptions should be significant for increasing the transparency of audits conducted by external auditors and enhancing the value of information contained in audit reports. KAMs are expected to be instrumental in further promoting dialogue between users and management.

Abroad, mainly in the United States and European countries, KAM and similar practices have been introduced earlier than in Japan. In Japan, in accordance with the Opinion Paper Concerning the Revision of the Audit Standards, which was published in July 2018, it was decided to introduce KAMs, and since the fiscal year that ended in March 2021, describing KAMs in the audit report has become mandatory.

In the first fiscal year of application, external auditors used resourceful ideas to describe KAMs in various ways based on their communication with companies.

3. Major points of the attachment to the press release

The attachment to the press release is comprised primarily of the following four key items: (1) key comments by members of the Study Meeting on KAMs, (2) trend analysis, (3) distinctive examples, and (4) examples requiring consideration. Explained below are the major points regarding each of those items.

(1) Key comments by members of the Study Meeting on KAMs

First, comments by members of the Study Meeting were classified under four themes—"significance of KAMs," "KAM descriptions," "relationship between disclosure and KAMs," and "the number of KAMs."

With regard to "significance of KAMs," one member stated that "external auditors need to consider KAMs from the viewpoints of how KAMs may contribute to users' decision-making and how they may be used, while another commented that "it is important to take the stance of proactively making disclosure regarding accounting treatments about which investors are concerned and matters about which they frequently ask questions."

Regarding "KAM descriptions," one member stated that "there were various thought-provoking KAMs concerning not only particular estimation items but also internal control, systems, and lawsuits," and another commented that "what sorts of things are considered by external auditors to be risks was an eye-opening insight." On the other hand, regarding expectations and challenges for the second year and later, some members voiced expectations for external auditors to describe the outcome of the procedures taken and their findings and observations, which were described in the first year. Others expressed concerns that in the next fiscal year and later, there may be few changes in the contents of KAM descriptions compared with the first year.

Next, regarding "relationship between disclosure and KAMs," one member expressed "hopes that there will arise a cycle of more substantial notes leading to more substantial KAM descriptions," while another commented that "if KAMs take hold as a result of more substantial notes, they should be used to provide specific information on external auditors' own reasons for selection, response and the results."

* See "Distinctive Examples of Key Audit Matters (KAMs) and the Key Points of Descriptions,"

published on March 4, 2022, at: <https://www.fsa.go.jp/news/r3/sonota/20220304-2/20220304-2.html>

(Available in Japanese).



Finally, with regard to "the number of KAMs," the average number of KAMs per company (in the consolidated financial statement) in the fiscal year that ended in March 2021 was 1.3. One member commented that "the number of KAMs itself is not an issue, but what's more important is whether or not matters of interest for users are included in KAM descriptions." Another member commented: "I have the sense that 1 is a low average number, even considering that it is the result of narrowing-down based on consultations with corporate auditors. Going forward, I hope that the number of KAMs will increase."

(2) Trend analysis

Next, with respect to the trends in KAM descriptions in the first year of application, similarity analysis and data on the number of KAMs are presented.

Regarding similarity analysis, the trends were analyzed from two angles using a string similarity analysis based on the Levenshtein distance.

The first analysis looked at changes in KAM descriptions concerning companies that have started applying KAM early. The degree of string similarity between KAMs adopted in two periods of time was analyzed with respect to companies that started applying KAM by the fiscal year that ended in March 2020.

This analysis found disparities in the degree of similarity across companies. In addition, most companies for which the degree of similarity was high or low were those whose financial statements were audited by a few particular audit firms.

The second analysis was a comparative analysis of the degree of similarity of KAM descriptions between audit firms. With respect to KAMs concerning particular items, a strong similarity between audit firms was analyzed.

This analysis found some disparities in the degree of similarity across audit firms, with a relatively high degree of similarity shown for a few particular firms.

As for the number of KAMs, the numbers by industry, sales size and accounting standard type were presented.

(3) Distinctive examples

Next, from among the examples of KAMs adopted in the first year of application, around 20 distinctive ones that are considered to be useful for future reference were selected and sorted under four headings.

Under the "general" heading, "examples in which the KAM selection process is specifically described" and "examples in which changes in KAM items from the previous fiscal year are described" were presented.

Under the heading "the specifics of KAMs and the reason for selection," "examples in which industry-specific characteristics and the complexity of estimation are described in detail" and "examples in which the characteristics of revenue recognition by business type are specifically described" were presented.

Under the "audit response" heading, "examples in which important assumptions under business plans are specifically described" and "examples in which a tolerable range from the viewpoint of audit has been independently set and the results of verification as to whether or not the findings are within the range are also described" were presented.

Under the heading "others (relationship between disclosure and KAMs, and early disclosure)," "examples in which important management strategy, etc., and KAM items are closely related" and "examples in which KAMs are described in the audit report based on the Companies Act" were presented.

(4) Examples requiring consideration

Finally, as examples requiring consideration, "examples in which the specifics of KAMs and the reason for selection, the audit procedures, etc., are unclear," "examples which should be considered in terms of consistency with information contained in notes (cases in which notes may be insufficient)," and "examples which should be considered in terms of consistency with information contained in notes (cases in which notes are absent), and "cases in which KAMs are not described" were presented.

4. Conclusion

We hope that in reference to the attachment to the press release, KAM descriptions will become more substantive and that dialogue between users and management will be further promoted.

(Reference) Example of the KAM selection process

AOKI Holdings Inc. Audit Report on the Consolidated Financial Statement (the fiscal year that ended in March 2021; external auditor: PricewaterhouseCoopers Aarata)
*Excerpt

The audit firm communicated with corporate auditors and the board of auditors with regard to potential material misstatement risk related to the consolidated financial statement, important judgments made by the external auditors in relation to the coverage of the consolidated financial statement that involves managers' important judgments, and the effects on the audit of important events that occurred in the current consolidated fiscal year. The matters indicated in the table below are those to which the external auditor paid particular attention among the matters about which the audit firm communicated with the corporate auditors and the board of auditors. From among those matters, the audit firms selected A, B, and C as the key audit matters.

	Matters to which the external auditor paid particular attention	Value of the potential impact (*2,3)	Occurrence possibility (*2,3)
A	Application of impairment accounting to the entertainment business (*1)	High ↑	High ↑
B	Application of impairment accounting to the fashion business (*1)	High →	High →
C	Recoverability of deferred tax assets	Medium ↑	Medium ↑
D	Evaluation of inventory assets in the fashion business	Medium →	Medium →
E	Application of impairment accounting to the Anniversaire and bridal business	Low ↓	Medium →
F	Recording of asset retirement obligations	Low →	Low →
G	Recording of reserves for awarded points	Low →	Low →
H	Risk of management override of internal controls (*1)	High →	Low →
I	Risk related to revenue recognition	High →	Low →

*1: These are matters that constitute risks requiring special consideration

*2: "High," "Medium," and "Low" in the table above represent the relative degree of importance of the individual items in the audit conducted in the current consolidated fiscal year.

*3: The arrows in the table above indicate the direction of change from the previous fiscal year in the degree of risk evaluated by the external auditor. In order to make this more useful information for users of the financial statement, the direction of change is also indicated when the degree of change is within the range of each of the "High," "Medium" and "Low" categories. Therefore, an arrow does not necessarily indicate a transition from one category to another (change from "Medium" to "High," for example)

- Each risk item was evaluated from the viewpoints of the value of the potential impact and the occurrence possibility, and indications of the degree of relative importance evaluated and the direction of change from the previous fiscal year are provided.
- The external auditor communicated with corporate auditors, etc. about various matters, and it is clear which of those matters especially received attention.

Japan to host the 2023 IAIS Annual General Meeting

Recently, the International Association of Insurance Supervisors (IAIS) has announced to hold the 2023 Annual General Meeting in Tokyo, marking the first time for the meeting to be held in Japan. This article provides an overview of the organization and activities of the IAIS, and the Annual General Meeting and associated meetings.

1. Overview of the IAIS

Established in 1994, the International Association of Insurance Supervisors (IAIS) is global standard-setting body responsible for developing and evaluating implementation of standards and guidance of the insurance sector, with the aim to achieve policyholder protection and financial stability.

The IAIS is located within the Bank for International Settlements (BIS) in Basel, Switzerland, with more than 200 member organizations, including national and regional insurance supervisory authorities worldwide. Japan became a member of the IAIS in 1998, and has made active contributions to its activities, such as serving the role of the (co-) vice chair of the Executive Committee since 2008, and seconding staff members to the IAIS Secretariat.

The IAIS has steadily proceeded its work related to the Insurance Capital Standard (ICS) for internationally active insurance groups, and policy framework to address the systemic risk in the insurance sector. In addition, the IAIS has held active discussions on ongoing challenges common to the global insurance sector, including climate change, digitalization, and cyber risk.

2. What is the Annual General Meeting?

The IAIS Annual General Meeting and associated meetings are annually held for a week around November, as the foremost event of the IAIS.*

During the first half of the week, the IAIS holds parent committees responsible for specific IAIS policy topics, and also holds the Executive Committee which conducts in-depth discussions of IAIS projects among key members. This is followed by the Annual General Meeting, where 200 to 300 IAIS members from across the world get together and make decisions on important issues.

The IAIS Annual General Meeting is followed by the Annual Conference, open to both IAIS members and stakeholders. The Annual Conference expects 400 to 500 participants including private-sector representatives, such as insurance company officials, providing a valuable opportunity to deepen discussions on challenges faced by the global insurance sector along with topical issues.

3. Conclusion

As the world's third largest insurance market, the FSA believes that hosting this IAIS milestone event will serve as a tremendous opportunity to demonstrate the presence and work of the IAIS to various stakeholders including those in Japan as well as in greater Asia. The FSA, in cooperation with relevant organizations, will make its utmost effort in order to make the 2023 IAIS event an occasion for active exchange of opinions between insurance regulators and stakeholders from across the world.

2019 Annual Conference in Abu Dhabi



*The Annual General Meeting was held in an online format in 2020 and 2021 due to the COVID-19 pandemic. The 2022 meeting is scheduled to be held in Santiago, Chile.

"Guidelines for Business Revitalization, etc. of Small- and Medium-sized Enterprises" and "Basic Perspectives of 'Guidelines for Personal Guarantee Provided by Business Owners' in the Event of the Closure of a Business" (provisional English titles)

(i) "Guidelines for Business Revitalization, etc. of Small- and Medium-sized Enterprises"

On March 4, 2022, the Study Group on "Business Revitalization, etc. of Small- and Medium-sized Enterprises" (in which the FSA is participating as an observer), for which the Japanese Bankers Association serves as the secretariat, published "Guidelines for Business Revitalization, etc. of Small- and Medium-sized Enterprises" (hereinafter referred to as the "Guidelines").*1

The Guidelines clarify the roles to be played by small- and medium-sized enterprises (SMEs) and financial institutions at the respective stages of "normal times" and "emergencies," present basic perspectives on business revitalization, etc., and establish new rules for a private liquidation procedure, namely, "Private Liquidation Procedures for Business Revitalization, etc. of Small- and Medium-sized Enterprises" ("revitalization-type private liquidation procedures" and "business closure-type private liquidation procedures"), to facilitate swifter engagement by SMEs in business revitalization, and so forth.

Compared with "Guidelines for Private Liquidation", which was compiled in 2001, the new Guidelines has been devised to be better suited to the actual circumstances of SMEs. For example, the Guidelines has eased the requirement concerning the number of years necessary for resolving insolvency and has not necessarily required the retirement of managers.

The FSA, in cooperation with relevant organizations, will promote awareness-raising about and public communication of the Guidelines and also strive to ensure that the Guidelines comes into widespread use and takes hold.

(ii) "Basic Perspectives of 'Guidelines for Personal Guarantee Provided by Business Owners' in the Event of the Closure of a Business"

On March 4, 2022, the Study Group on "Guidelines for Personal Guarantee Provided by Business Owners" (in which the FSA is participating as an observer), for which the Japan Chamber of Commerce and Industry and the Japanese Bankers Association serve as the secretariat, published "Basic Perspectives of 'Guidelines for Personal Guarantee Provided by Business Owners' in the Event of the Closure of a Business" (hereinafter referred to as the "Basic Perspectives").*2

The Basic Perspectives has clarified the intent of the current "Guidelines for Personal Guarantee Provided by Business Owners" by focusing on cases where SMEs close their businesses, while taking into account the need to ensure managerial discipline of SMEs.

Integrated application of the Basic Perspectives and the "Guidelines for Business Revitalization, etc. of Small- and Medium-size Enterprises" is expected to contribute to prompt and smooth implementation of private liquidation procedures.

The FSA, in cooperation with relevant organizations, will promote awareness-raising about and public communication of the Basic Perspectives and also strive to ensure that the Basic Perspectives comes into widespread use and takes hold.

*1 For the details of the Guidelines, see the website of the Japanese Bankers Association at: <https://www.zenginkyo.or.jp/news/2022/n030401/> (Available in Japanese)

*2 For the details of the Basic Approach, see the website of the Japan Chamber of Commerce and Industry and the Japanese Bankers Association.

Japan Chamber of Commerce and Industry: <https://www.jcci.or.jp/news/2022/0304153000.html> (Available in Japanese)

Japanese Bankers Association: <https://www.zenginkyo.or.jp/news/2022/n030402/> (Available in Japanese)

コロナ禍金融の支援の経緯 収益力改善・事業再生・再チャレンジ支援

「中小企業の事業再生等に関するガイドライン」の策定・活用

- 増大する債務に苦しむ中小企業の円滑な事業再生等を一層支援するため、関係者間の共通認識を醸成し、一体となって取組を進めるべく、「中小企業の事業再生等に関するガイドライン」を策定（4月15日閣議決定）。
- ガイドラインでは、①関係者の事業再生等に関する基本的な考え方、②中小企業版私的整理手続を整理。

「中小企業の事業再生等に関するガイドライン」の中小企業版私的整理手続のポイント

ポイント①：中小企業の実態を踏まえたプロセスや事業再生計画の基準を明確化

	本ガイドライン手続	【参考】私的整理ガイドライン（2001年）
元本等返済の一時停止のタイミング	事業再生計画書の策定時（債権放棄決定後かつ再生目的を定めた後）	再建計画策定後同時
貸付継続返済期限までの年数	5年以内を目標 （*）小規模事業者の債権回収率は更に緩和	3年以内を目標
経営者責任の扱い	感染被害の影響に配慮しつつ、経営者責任を明確化	過任が原則

ポイント②：独立・公平な立場の第三者支援専門家（弁護士、会計士等）による支援

- 独立・公平な立場の第三者支援専門家（再生業務経験がある弁護士、会計士等）で選任認定を得たものが、事業再生計画書の調査報告書の策定等を行い、円滑な事業再生等までのプロセスを支援
- 中小企業再生支援全国本部及び事業再生実務家協会において、第三者支援専門家候補をリスト化。
- 別途、第三者支援専門家や債務者を支援する外部専門家に係る費用を補助（次ページ参照）

コロナ禍金融の支援の経緯 収益力改善・事業再生・再チャレンジ支援

「中小企業の事業再生等に関するガイドライン」の策定・活用

- 中小企業再生支援協議会（4月1日に「中小企業活性化協議会」に改組）による事業再生等の支援とともに、民間による事業再生等の支援を促進するため、「中小企業の事業再生等に関するガイドライン」に基づく私的整理を支援する制度を創設（4月15日から開始予定）。

「経営改善計画策定支援事業」の新ガイドライン枠（概要）

- 主な補助対象要件
 - ① 「中小企業に関する事業再生等に関するガイドライン」の中小企業版私的整理手続に基づき私的整理を行うこと
 - ② 認定経営革新等支援機関による計画策定支援等を受けていること
- 補助率・補助上限
 - ① 補助率：2/3
 - ② 補助上限：1案件につき、上限計700万円
(DO費用等：上限300万円/計画策定支援費用：上限300万円/件定支援費用：上限100万円)
- その他
 - 経営革新等支援機関の認定を受けた外部専門家、第三者支援専門家（補佐人含む）の費用が対象。
 - 複数の認定経営革新等支援機関が関与する場合も上限は計700万円。

コロナ禍金融の支援の経緯 収益力改善・事業再生・再チャレンジ支援

個人破産回避に向けたルールの明確化

- 中小企業の廃業時における経営者の個人破産回避に向け、「経営者保証ガイドライン」に基づく保証債務整理の申出を受けた場合には、金融機関が誠実に対応する、この考え方を明確化。

経営者保証に関するガイドライン（2013年12月）

その後も、中小企業の廃業時に個人保証を行う経営者が個人破産と成るケースが多く、事業再生の早期決断の大きな障害要因になっているとの指摘あり。

廃業時における経営者保証ガイドラインの基本的考え方（2022年3月4日公表）

- 債権者の対応の明確化
 - 個人破産の回避に向け、保証人等から、保証債務の整理の申出・協議を受けた場合には、ガイドラインに基づく保証債務の整理に誠実に対応。
 - 保証人の保証履行能力の状況によっては、保証人が対象債権者に対し、弁済する金額が無い旨（ゼロ円弁済）も許容され得ることに留意。
- 債権者・保証人の対応の明確化
 - 廃業の検討に至った場合、直ちに債権者に申し出、財産状況等について誠実に開示。
 - 従業員・取引先等の地域経済への影響も踏まえ、迅速かつ誠実に対応。
- 債務整理を支援する弁護士等の支援専門家
 - 保証人に破産手続を安易に勧めるのではなく、ガイドラインに基づく保証債務の整理が可能であるか、保証人の意向を踏まえ、十分検討。

Message to the Market (explanations about a recommendation for an administrative monetary penalty payment order and an order to submit amended reports related to false statements in securities reports)

The Securities and Exchange Surveillance Commission (hereinafter referred to as the "SESC") posts explanations on recommendations that it has issued on its website as an article titled "Message to the Market."

The "Message to the Market" posted on March 31, 2022, is summarized below.

*For the full text of "Message to the Market, access the website of the SESC at the following URL: <https://www.fsa.go.jp/sesc/message/20220331-1.html> (Available in Japanese)



Recommendation for an administrative monetary penalty payment order and order to submit amended reports against GRACE TECHNOLOGY, INC. for making false statements in its disclosure documents

On February 22, 2022, the SESC issued a recommendation that the Prime Minister and the FSA Commissioner impose an administrative monetary penalty order and an order to submit amended reports against GRACE TECHNOLOGY, INC. (hereinafter referred to as "the Company"), as it recognized a legal violation as shown below as a result of inspection regarding the alleged violation of the disclosure regulation based on the Financial Instruments Exchange Act.*

【The details of the legal violation】

The Company overstated current net profits, etc. through inappropriate accounting treatment and submitted the following disclosure documents containing false statements concerning important matters to the Director-General of the Kanto Finance Bureau.

- A total of 15 sets of documents, including the quarterly report for the first quarter that ended in June 2017 (submitted on August 10, 2017).

【Inappropriate accounting treatment】

The outline of the inappropriate accounting treatment implemented by the Company is as described below.

(1) Booking of fictitious sales

Between the fiscal year that ended in March 2016 and the fiscal year that ended in March 2021, with

respect to some projects for which sales were booked, the Company overstated sales as a result of booking fictitious sales by making it appear as if the Company had received orders and made delivery by fraudulently acquiring order placement and receipt forms from customers from which the Company had not received orders or by forging the forms.

(2) Premature booking of sales

Between the fiscal year that ended in March 2016 and the first quarter that ended in June 2021, with respect to some projects, the Company booked sales prematurely, earlier than the legitimate date of booking, despite not having made delivery, as a result of making it appear as if the Company had made delivery by fraudulently acquiring receipt forms from customers or by forging the forms.

(3) Premature booking and assignment of sales cost

Regarding many projects for which sales were prematurely booked, the Company prematurely booked sales cost or assigned sales cost regarding some projects to other projects, thereby adjusting the profit ratio.

The SESC will continue to strictly deal with violations of the disclosure regulation, including false statements in securities reports or other documents like this case.

* See "Recommendation for an administrative monetary penalty payment order and order to submit amended reports against GRACE TECHNOLOGY, INC. for making false statements in its disclosure documents," published on February 22, 2022 at the following URL: https://www.fsa.go.jp/sesc/news/c_2022/2022/20220222-1.html (Available in Japanese)

To Bank Customers - Request for the Prevention of COVID-19 Infection -

Dear valued customers

– COVID-19 safety precautions and considerations –

As a bank, we will work to provide essential banking to support our customers' everyday life and business through these challenging times.

As we rise to meet these challenges, the health and safety of our customers remain our top priority. With that in mind, we have implemented measures in order to avoid the "Three C's"; closed spaces, crowded places and close-contact settings.

We also would like to kindly ask our customers to consider the below actions in order to minimize the spread of the COVID-19.

01 When visiting a branch

Social Distancing



We are limiting the number of customers permitted in our branch at one time so you may experience longer than normal wait times.

Masks and temperature checks



Please consult your bank prior to your visit for any urgent services you may need to perform when feeling sick. And even fully vaccinated people should continue to wear mask and other infection prevention measures.

02 Other banking options

- Please refrain from visiting a branch on dates that are expected to be crowded.
- Please consider using other channels available to you, such as online & ATM services and call center.
- Especially for automobile tax payments, we highly recommend customers use ATM or online services when "Pay-easy" mark is on the invoice.

Expected crowded dates in Apr. 2022

■ the expected crowded dates.

SUN.	MON.	TUE.	WED.	THU.	FRI.	SAT.
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Services available as usual

Deposits and withdrawals of ordinary account	Cancellation of time deposits, investment trust etc.	-Transfer funds -Taxes and utility bill payments
Reporting of lost items	-Issuance of new passbook and card -Magnetic malfunction of card	Help with borrowing loans

※ Please ask the bank or check its website for the details of transaction handled.

Services for you to kindly reconsider performing on crowded dates

Opening and closure of accounts	Depositing money into a time deposit account	Notice of amendment and bank statements
Request to withdraw certain coins and banknotes	Property accumulation products	Money exchange

※ Please consult the bank for your specific reasons of the needed transaction.

JFSA's Major Activities in March (March 1 to March 31, 2022)



- [Summary of Results of the Third Survey on the Use of LIBOR \(March 31, 2022\)](#)
- [Finalization of Cabinet Office Order to Partially Amend Cabinet Office Order on Financial Instruments Business, etc. \(March 29, 2022\)](#)
- [FSA and European Commission \(DG FISMA\) adopted the regulatory cooperation framework established under Annex 8-A of the EU-Japan Economic Partnership Agreement \(March 25, 2022\)](#)
- [Amendments to the Memorandum of Cooperation with European Securities and Markets Authority \(March 24, 2022\)](#)
- [Press Release on the "Development of a New High-precision AI-based Translation Engine Specialized for the Financial Sector" \(March 23, 2022\)](#)
- [The seventh meeting of the Working Group on Corporate Disclosure of the Financial System Council \(March 18, 2022\)](#)
- [The third Meeting of the EU-Japan Joint Financial Regulatory Forum \(March 10 and 11, 2022\) \(March 14, 2022\)](#)
- [Announcements Pertaining to Global Money Week 2022 \(March 10, 2022\)](#)
- ["FIN/SUM 2022" \(March 4, 2022\)](#)

- JFSA's official English Twitter account
https://twitter.com/JFSA_en



We are promoting information dissemination using Twitter!

- The FSA has established the Financial Policies Monitor System to listen to candid opinions, suggestions, criticisms and so forth from financial institutions and their officials, academic experts and think tanks, business enterprises and others with opinions on the financial system and the FSA.

For more details, please refer to "Financial Policies Monitors" on the FSA's website at <https://www.fsa.go.jp/monitor/index.html> (Japanese).



Editorial Postscript

A very ambitious proposal has been presented in this month's issue.

<Ambitious proposal>

"Add an international event concerning financial and economic education to the roster of events of late March, which includes the graduation ceremony, cherry blossom watching and the national senior high school baseball tournament."

(A modified version of the text on Page 8)

The presentation of this ambitious proposal probably reflects the popularity of the learning materials for financial and economic education targeted at senior high school students that were published on March 17 due to the inclusion of information useful for adults as well.

To access the popular learning materials, scan the QR code.

1. Household finance management and life planning
"Earning income" by working and designing a future ★

Quiz

My employer has told me that my monthly salary is 200,000 yen. Can I use up to 200,000 yen each month? Yes or no?



[A learning material example]

SAITO Takafumi, Director, Public Relations Office, FSA