Asia Region Funds Passport
Annual Implementation Report 2024-2025

Report by the Joint Committee 2025

About this report

This report discusses the activities of the Joint Committee of the Asia Region Funds Passport from 2024 to 2025. The Joint Committee is governed by the Memorandum of Cooperation on the Establishment and Implementation of the Asia Region Funds Passport.

Contents

Message from the Chair

Thailand, represented by the Securities and Exchange Commission, Thailand (SEC Thailand), is pleased to present the Annual Implementation Report 2024–2025 of the Joint Committee of the Asia Region Funds Passport (ARFP). We would like to express our appreciation to the Republic of Korea, represented by the Financial Supervisory Service (FSS), for its valued support and collaboration as Deputy Chair throughout 2025. We also thank all member economies for their continued engagement and constructive contributions, which have supported meaningful discussions and progress under the Joint Committee's work programme.

During 2025, the ARFP Joint Committee continued to advance implementation-related initiatives and key workstreams under the Passport framework. Two Joint Committee meetings were held during the year, providing a platform for members to exchange views, review developments in their respective economies, and maintain momentum on priority areas of work.

A key focus during the year was the examination of measures to improve the usability and effectiveness of the Passport. The Joint Committee reaffirmed the importance of tax transparency and continued efforts to enhance the clarity and accessibility of tax-related information for prospective fund managers. In parallel, the Committee initiated analytical work to review the current assets under management (AUM) eligibility threshold, recognising that the existing threshold may affect participation under the ARFP. Preliminary analysis was shared, and members agreed to undertake further assessment to better understand potential impacts and considerations, with a view to informing future discussions.[*]

The year also saw the completion and publication of the consolidated ARFP Guidance Document, providing regulators and market participants with a clearer and more comprehensive reference. Discussions further highlighted the importance of communication, market awareness, and demand-side considerations in supporting greater use of the Passport.

In January 2026, Thailand formally handed the role of Chair of the ARFP Joint Committee to the Republic of Korea, represented by the Financial Supervisory Service (FSS). SEC Thailand is grateful for the commitment demonstrated by member economies throughout 2025 and looks forward to continued collaboration in progressing the ARFP framework in 2026.

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Director – Investment Management Policy Department

Securities and Exchange Commission, Thailand

[*] Subsequent to the reporting period, the analysis was completed in 2026. It was concluded that lowering the AUM eligibility threshold would have only a minor impact in each participating economy and would therefore not materially enhance access to the ARFP framework.

Background

About the Asia Region Funds Passport

The Asia Region Funds Passport was established under the Memorandum of Cooperation on the Establishment and Implementation of the Asia Region Funds Passport (Memorandum of Cooperation) in April 2016 and commenced in February 2019.

The current member economies of the Asia Region Funds Passport include Australia, Japan, New Zealand, the Republic of Korea, and Thailand. Each member economy has implemented the passport arrangements in their respective jurisdictions.

The first and only collective investment scheme under the passport arrangements (passport fund) was registered in New Zealand in January 2022. See **Appendix A** for a timeline of key events for the Asia Region Funds Passport.

The Asia Region Funds Passport is an initiative to establish a regional market for collective investment schemes by facilitating cross-border offerings. It is designed to reduce regulatory duplication for collective investment schemes of operators by establishing standardised requirements across the member economies. The arrangement is designed to benefit investors by providing a broader and more diverse range of collective investment schemes, and by maintaining investor protection.

The Asia Region Funds Passport is an Australian initiative, first recommended by the Australian Financial Centre Forum in its report released in November 2009 (known as the Johnson report).

Objective of the Asia Region Funds Passport

In joining the Memorandum of Cooperation, member economies share the following goals:

- deepening the region's capital markets to attract finance for economic growth in the region;
- strengthening the capacity, expertise, and international competitiveness of financial markets in the region and the funds management industry, with a view to supporting sound economic development;
- facilitating the channelling of the region's savings within the region and increasing the pool of funds available for investment in the region;
- providing investors in each of the economies with a more diverse range of investment opportunities, enabling them to better manage their portfolios and meet their investment objectives; and
- maintaining the legal and regulatory frameworks which promote investor protection, fair, efficient, and transparent markets for financial services, supporting financial stability and providing high standards in the management and distribution of collective investment schemes.

Progress in each member economy

The Asia Region Funds Passport has been operational in each member economy since 2020. Each member economy reports to the Joint Committee on the progress of the Asia Region Funds Passport in their respective jurisdictions. A summary of progress in 2025 is set out below.

- **Australia**: ASIC did not receive any applications under the Passport during the reporting period. Australia remains ready to export and import passport funds and continues to engage with industry to raise awareness of the Asia Region Funds Passport.
- **Japan**: The Financial Services Agency of Japan (FSA) continued to follow up with the Republic of Korea in relation to preparatory work by Hana Asset Management. The FSA noted distribution-related considerations in the context of overseas expansion and observed that similar considerations have arisen for other Japanese boutique investment firms exploring international markets. The FSA continues to engage with industry participants on matters relating to the Asia Region Funds Passport.
- **New Zealand**: New Zealand continues to have one fund manager, Smartshares, utilising the Asia Region Funds Passport, with no material operational issues identified. New Zealand remains ready to support the export and import of passport funds under the framework.
- **Republic of Korea**: The Republic of Korea continued preparatory work relating to a potential application by Hana Asset Management. The Financial Services Commission (FSC) and the Financial Supervisory Service (FSS) continue to coordinate with relevant authorities and engage with industry stakeholders in relation to the potential development of passport funds.
- **Thailand**: Thailand has not received any applications under the Asia Region Funds Passport. The Securities and Exchange Commission, Thailand continues to engage with market participants on matters relating to the framework.

Key statistics for each member economy

Australia - key statistics 31 December 2025

- 414 managed investment scheme operators (responsible entities) and 17 CCIV operators (corporate directors).
- 3,518 registered managed investment schemes and 13 registered wholesale CCIVs.
- 2,014 wholesale trustees.
- Approximately AUD3.33 trillion in assets held in managed investment schemes.

Source of data: derived from ASIC's Industry Funds Metrics data and ASIC's Financial Services Licensing system.

Japan - key statistics 31 December 2025

- 224 CIS operators.
- 13,684 collective investment schemes.
- Approximately JPY 437.7 trillion in assets held in collective investment schemes (with approximately 68.9% public and the rest private).

Source of data: Investment Management Association of Japan

New Zealand - key statistics 31 December 2025

- 146 managed investment scheme managers.
- 1,414 registered managed investment scheme funds.
- 5 Supervisors and 108 custodians.
- Approximately NZD285.3 billion in funds under management.

Source of data: Financial Markets Authority

Republic of Korea - key statistics 31 December 2025

- 507 registered CIS operators, including 77 operators for retail funds.
- Approximately KRW 559.4 trillion AUM in the retail fund market, and KRW1,283.2 trillion AUM in the total fund market.
- 4,684 retail funds and 12,368 private funds.

Source of data: Financial Supervisory Service, Korea Financial Investment Association

Thailand - key statistics 31 December 2025

- 23 operating mutual fund management companies.
- 2,288 registered mutual funds with net asset value of THB 5.28 trillion in total.
- Approximately 2,000 funds are retail funds while accredited investor funds and ultra-accredited investor funds in total accounted for 199 funds.
- Largest proportion in the Thai mutual fund market held by fixed income funds at 61%, followed by equity funds at 24%, mixed funds at 11%, and alternative investment funds at 4%.

Source of data: SEC Thailand

Joint Committee Meetings 2025

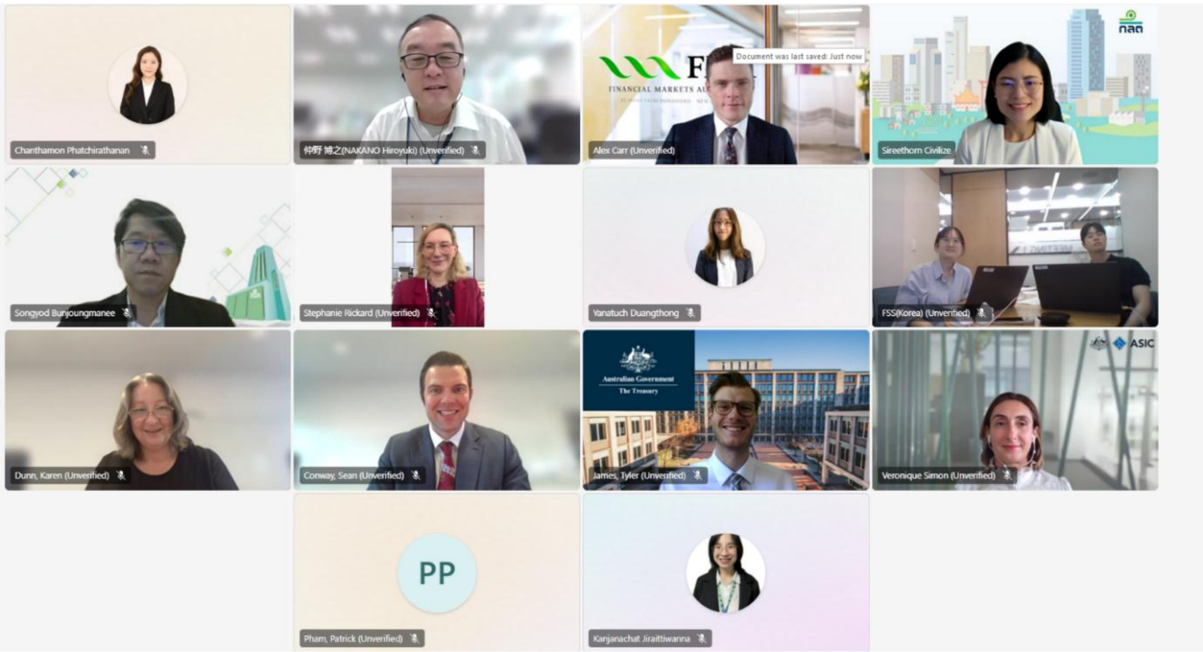
Seventeenth Joint Committee Meeting

The Joint Committee held its seventeenth meeting in a virtual format on 20 June 2025. The meeting was hosted by the Securities and Exchange Commission, Thailand, as Chair of the Joint Committee, and was attended by representatives from the Republic of Korea as Deputy Chair, Japan, New Zealand, and Australia.

The Joint Committee held constructive discussions on the implementation of the Asia Region Funds Passport and received updates from member economies on developments in their respective jurisdictions. Members exchanged views on ongoing work under the framework, including initiatives aimed at improving the accessibility of information and addressing practical considerations relevant to participation in the Passport.

The meeting also provided an opportunity for the Joint Committee to review progress across key areas of work and to agree on next steps to continue advancing the framework in a coordinated manner.

The media release from this committee meeting is on the Asia Region Funds Passport webpage (www.fundspassport.apec.org).



Eighteenth Joint Committee Meeting

The Joint Committee held its eighteenth meeting in an online format on 28 November 2025. The meeting was chaired by the Securities and Exchange Commission, Thailand, as Chair of the Joint Committee, and was attended by representatives from Australia, Japan, the Republic of Korea, and New Zealand.

The Joint Committee discussed progress in the implementation and operation of the Asia Region Funds Passport and received updates from member economies on developments in their respective jurisdictions. Discussions covered a range of ongoing work under the framework, including efforts to enhance guidance materials, improve the accessibility and clarity of information, and address practical considerations relevant to participation in the Passport.

The meeting also focused on key initiatives aimed at strengthening the effectiveness of the framework. Members exchanged views on tax transparency, reviewed preliminary analytical work relating to the AUM eligibility threshold, and discussed priorities across ongoing workstreams. In considering the allocation of resources, members agreed that attention should remain focused on core structural and operational matters under the framework.

In addition, the Joint Committee discussed market awareness and communication initiatives, including a draft marketing strategy presented by the Republic of Korea as Deputy Chair. The meeting also featured a presentation by EY Singapore on regional and global asset management trends, which provided broader context for discussions on the longer-term development of the Passport.

The [media release] from this committee meeting is on the Asia Region Funds Passport webpage ([www.fundspassport.apec.org]).

Forward agenda

The Joint Committee will continue to progress work aimed at supporting the effective operation of the Asia Region Funds Passport and addressing practical considerations relevant to participation under the framework. This includes maintaining and updating key information and guidance materials to enhance clarity and accessibility for stakeholders.

Building on discussions held during 2025, the Joint Committee will continue work on initiatives relating to tax transparency and the review of AUM eligibility thresholds, including further analytical work to better understand the potential implications of different threshold settings. Members will continue to share information and perspectives to inform future consideration of these matters.

The Joint Committee will also continue discussions on market awareness and communication initiatives, including consideration of feedback on proposed approaches to promoting greater understanding of the Passport among relevant stakeholders. In this context, members will take into account insights from international experience and market developments to inform longer-term considerations for the framework.

In addition, the Joint Committee will continue to engage with industry participants and other relevant stakeholders, as appropriate, to support ongoing dialogue on the operation and future development of the Asia Region Funds Passport.

Appendix A. Timeline of the development of the Asia Region Funds Passport

Year	Developments
2010	• October: An Asia-Pacific Economic Cooperation (APEC) policy dialogue was held in Kuala Lumpur, Malaysia, to engage with relevant stakeholders and targeted APEC economies to discuss the concept of the ARFP.
2012	• December: Australia, New Zealand, the Republic of Korea and Singapore formed the ARFP working group.
2013	• May: The ARFP working group held its inaugural meeting in Perth, Australia, to discuss technical issues around the implementation of the ARFP. • June: The ARFP working group held a meeting in Taipei City, Taipei. • December: The ARFP working group held a meeting in Sydney, Australia, to discuss a consultation paper on the ARFP.
2015	• February: Australia, New Zealand, the Republic of Korea, the Philippines and Thailand consulted on the proposed arrangements of the ARFP. • August: The ARFP working group held a meeting in Hanoi, Vietnam, to finalise the Statement of Understanding on the Establishment of the ARFP (Statement of Understanding) and develop the Memorandum of Cooperation. • September: Australia, Japan, New Zealand, the Republic of Korea, Thailand and the Philippines signed the Statement of Understanding. • November: The ARFP working group held a meeting in Kuala Lumpur, Malaysia, to refine the Memorandum of Cooperation.
2016	• February: The ARFP working group held a meeting to finalise the Memorandum of Cooperation. • April: Australia, Japan, New Zealand and the Republic of Korea signed the Memorandum of Cooperation. • June: Thailand signed the Memorandum of Cooperation.
2018	• The member economies ran a pilot program, which included several funds in Australia testing the process of registering as a passport fund.
2019	• February: The ARFP went live (in Australia, Japan and Thailand). • July: The ARFP took effect in New Zealand.
2020	• May: The ARFP took effect in the Republic of Korea.
2022	• January: New Zealand registered the first passport fund
2023	• The member economies undertook a review of the Asia Region Funds Passport. The final report identifies barriers faced by industry participants and key opportunities to encourage participation.
2024	• Amendments made as a result of the Passport Review had been signed by all members with a fully signed copy circulated for records.
2025	• The Joint Committee progressed implementation of the Asia Region Funds Passport, including the consolidation of guidance materials and analytical work on AUM eligibility thresholds.

Appendix B. Key terms

APEC	Asia-Pacific Economic Cooperation
ARFP	Asia Region Funds Passport
ASIC	Australian Securities and Investments Commission
CIS	A collective investment scheme
FMA	Financial Markets Authority (New Zealand)
FSA	Financial Services Agency (Japan)
FSC	Financial Services Commission (Republic of Korea)
FSS	Financial Supervisory Services (Republic of Korea)
Member economies	Australia, Japan, New Zealand, the Republic of Korea and Thailand
Memorandum of Cooperation	Memorandum of Cooperation on the Establishment and Implementation of the Asia Region Funds Passport
SEC	Securities and Exchange Commission, Thailand