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## **ISDA Hosts Asia Pacific Regulators Summit**

**HONG KONG, Thursday, May 19, 2011** – The International Swaps and Derivatives Association, Inc. (ISDA) hosted an Asia Pacific Regulators Summit in Thailand today with regulators from nine jurisdictions across the Asia Pacific region participating. These key regional regulators gathered at this one-day Summit to discuss regulatory developments and issues arising from the US and European financial reforms and legislations, as well as from G20 commitments.

To facilitate better understanding of the changing landscape and challenges confronting the over-the-counter derivatives industry, participants were presented with detailed analysis of the Dodd-Frank derivatives legislation and European Market Infrastructure Regulation and the potential impacts of these initiatives on Asia Pacific financial institutions and regulators. Among the key issues to be addressed are the potentially significant extraterritorial effects and the proliferation of central clearing solutions in the region. The impact of Basel 3 was also discussed.

Financial overhaul of the over-the-counter derivatives markets is moving forward in the US and Europe at a rapid pace while Asia has not felt the need for such wholesale regulatory reform, with the exception of G20 clearing commitments. This could lead both to regulatory arbitrage and financial institutions coming under conflicting regulations. “We believe that international harmonization of over-the-counter derivatives rules is critical. Toward this end, we have organized this Summit for regional regulators to meet and explore ideas in addressing these impending challenges,” said Robert Pickel, Executive Vice Chairman, ISDA.

ISDA also believes that the industry in Asia Pacific would be best served by regulators taking a coordinated approach. Otherwise, there is significant potential that countries will adopt siloed clearing solutions resulting in inefficient allocation of capital and requiring enormous infrastructure investments. These costs will ultimately be passed on to end clients to the detriment of their effective risk management activities.

“ISDA is committed to working with global policymakers to address these issues to make the markets more safe and efficient. Notwithstanding, it is also important that we maintain a robust global market for over-the-counter derivatives as these products are crucial in helping firms and businesses worldwide more effectively manage their financial risks,” Mr. Pickel added.

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**About ISDA**

Since 1985, ISDA has worked to make the global over-the-counter (OTC) derivatives markets safer and more efficient. Today, ISDA is one of the world's largest global financial trade associations, with over 800 member institutions from 56 countries on six continents. These members include a broad range of OTC derivatives market participants: global, international and regional banks, asset managers, energy and commodities firms, government and supranational entities, insurers and diversified financial institutions, corporations, law firms, exchanges, clearinghouses and other service providers. Information about ISDA and its activities is available on the Association's web site: [www.isda.org](http://www.isda.org).

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