

Joint Press Release
on “Asia Credit Rating Forum in Tokyo”
10 July 2015, Tokyo, Japan

The Association of Credit Rating Agencies in Asia (ACRAA) and the Asian Development Bank Institute (ADBI), with the support from Japan Credit Rating Agency, Ltd. (JCR), today jointly organized the Asia Credit Rating Forum at the ADBI premises in Tokyo, Japan. Representatives of credit rating agencies (CRA) from Bahrain; Bangladesh; India; Indonesia; Japan; the Republic of Korea; Pakistan; the Philippines; Sri Lanka; Taipei, China; Thailand; and Turkey as well as the regulators of four securities markets in Asia met and held discussions on various issues pertinent to credit ratings such as sovereign ratings, SME ratings, and Islamic finance ratings. They also convened a seminar to outreach and interact with members of the Japanese business community who are interested in raising funds and understanding the credit profile of local industries and corporates in Asia.

At the forum, speakers from the three organizers stated the following:

Mr. Faheem Ahmad, Chairman of ACRAA, said, “We are very glad to be back in Tokyo where the idea of forming ACRAA was first agreed in 2001. Since then, ACRAA has worked hard to enhance the credibility of the member credit rating agencies, which has by now increased to 33 in 15 jurisdictions. As the financial markets grow rapidly in Asia, CRAs are fulfilling even more important roles in supporting economic development and financial stability. We will continue our efforts to consolidate our credibility for sustainable economic and financial development in Asia.”

Dr. Naoyuki Yoshino, Dean of ADBI, stated, “Local bond markets have grown rapidly especially after the Asian financial crisis. Credit ratings are the key for alleviating information asymmetry between lenders and borrowers such as small and medium-sized enterprises (SMEs). The next challenge is how to support SMEs in Asia which still face difficulties in financial access. We would like to continue our cooperation with ACRAA and its member CRAs so as to support the development of SMEs in Asia.”

Mr. Shokichi Takagi, President and CEO of JCR, mentioned, “Nearly 15 years have passed since the establishment of ACRAA in 2001. We are very pleased to see remarkable development of the rating agencies and overall financial sector in Asia. In the meantime, globalization is progressing rapidly in Japan as seen in the accelerated overseas investment by Japanese companies in Asia and the establishment of Tokyo Pro-Bond Market. JCR will continue and strengthen our close cooperation with our long-standing trusted partners at ACRAA, thereby contributing to galvanizing and supporting the economic growth as indispensable financial and economic infrastructure.”

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Notes to the editors:

The Association of Credit Rating Agencies in Asia (ACRAA, <http://acraa.com/>)

ACRAA was established by 15 CRAs from 8 jurisdictions in September 2001 – based on the consensus at the workshop on “Development Strategies for Asian CRAs: Issues and Challenges in Forming a Regional Caucus” at ADBI in Tokyo, Japan in March 2001.

Its objectives are:

- (a) To develop and maintain cooperative efforts that promote interaction and exchange of ideas, experiences, information, knowledge, and skills among CRAs in Asia and that would enhance their capabilities and their role of providing reliable market information.
- (b) To undertake activities aimed at promoting the adoption of best practices and common standards that ensure high quality and comparability of credit ratings throughout the region, following the highest norms of ethics and professional conduct.
- (c) To undertake activities aimed at promoting the development of Asia’s bond markets and cross-border investment throughout the region.

Among its regular activities, ACRAA has held the Best Practices Dialogue and Joint Training. Their notable deliverables include the Code of Ethics (2002), Handbook of International Best Practices for Credit Rating Agencies (2008), and ACRAA Code of Conduct Fundamentals for Domestic Credit Rating Agencies (2011).

ACRAA’s membership has steadily increased, now counting 33 members from 15 jurisdictions (see list: <http://acraa.com/acraamembers.asp>).

ACRAA’s board members are elected by its member agencies. Between 2001 and 2013, Mr. Kazuo Imai from JCR served as the Chairman and was succeeded by Mr. Faheem Ahmad from JCR-VIS.
