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ChAFTA major opportunity for financial services sector

In a submission on the China-Australia Free Trade Agreement (ChAFTA) to the Senate Foreign Affairs, Trade and Defence Committee, Equity Trustees Limited has said any agreement should include measures that lead to increased participation by China and Australia in each other's financial services sector.

Commenting on the submission, Harvey Kalman, Executive General Manager Corporate Trustee Services at Equity Trustees, said that Australia is recognised for its innovation and sophistication in the provision and administration of managed fund products.

"If we can increase recognition, not only in China but throughout Asia, for Australian Financial Services Licenses (AFSL) and Collective Investment Vehicles (CIVs) it will increase the strength of our financial services sector and its ability to compete, benefiting local investors and the economy overall.

"To achieve this, we need to quickly introduce the Asian Passport approach to counter the inroads being made by fund managers from other countries.

"Positioning Australia to compete means assessing and, where appropriate, embracing opportunities to create an environment that opens doors for the Australian financial services sector. ChAFTA can be a crucial part of this.

"Other jurisdictions, such as Europe and the USA, are moving quickly and successfully to expand into Asian countries and develop investment products and approaches for Asia-based investors. CIVs and UCITSs that have been developed in those countries enable them to attract inflows from Chinese investors.

"To embrace ChAFTA and adopt the CIV approach now being used internationally would support efforts to increase Australian trade with China, as well as with other Asian countries."

Mr Kalman added that there has again been discussion recently about Australia being promoted as a financial centre in Asia.

"What I think is more important, is for Australia to be recognised as a centre for investment product development and management," he said.

"Australia has the right experience in regulatory improvements; wealth management and advice; and retirement planning to provide leadership in our region on these issues. This can be achieved with the right tools in place.

"ChAFTA is a great opportunity for the Australian financial services industry," Mr Kalman concluded.

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Trusted since 1888, Equity Trustees Limited helps with the financial and emotional challenges of preserving, growing and transitioning wealth between generations. It provides a range of financial services to corporate and private clients including Wealth and Asset Management, Estate Planning and Administration, Philanthropy, Superannuation, Aged Care Advice and Placement.

Equity Trustees Media Release



Equity Trustees is a publicly listed company on the Australian Securities Exchange (ASX: EQT) with offices in Melbourne, Kew, Sydney, Brisbane and Perth.

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