**ACG 18 Declaration**

Asia-Pacific CSD Group (ACG) is the representative body of Central Securities Depositories and clearinghouses for the Asia-Pacific region. During the 18th ACG General Meeting held from 15th to 17th October, 2014 in Xi’an, China, we, the leaders of ACG members, hereby publish the **“Xi’an Initiative”** to show our determination in further communication and cooperation in serving as the core infrastructure of the regional and global financial market.

**Xi’an Initiative**

All the members of ACG pledged that they will thrive on the purpose to fulfill the facilitation of information exchange between its members and as a result develop the securities market in the region. The initiative entails enhancing the role of ACG as a platform whereby it can be a guiding force for implementing best practices in the CSD industry. ACG will serve in its capacity as a regional forum for establishing channels of dialogue between international organizations as well as promoting international standards amongst its members.

As core financial infrastructures, we shall provide strategic support for the secure and efficient operation of financial markets, and facilitate regional cross-border securities transactions through the concerted efforts of ACG members. Cooperation between Asia-pacific CSDs has great significance for the integration of regional economy and finance and financial globalization. **Working together, we shall nurture a secure, efficient, inclusive, and comprehensive circle of cooperation of financial infrastructure in Asia-Pacific.**

Members also agree that they will actively contribute to developing and promoting forward-thinking solutions that create efficiencies and mitigate risk within the regional markets and bring together influential securities services leaders, regulators, and other industry stakeholders to foster international coordination and collaboration across the global CSD community. Members agreed that ACG will make all efforts to introduce and help to implement international best practices and regulatory regimes like CPSS-IOSCO PFMI framework and/or G30 Recommendations. Members shall abide by the requirements of Principles for Financial Market Infrastructures, simultaneously achieving the goals of secure operation of CSDs and supporting stability of financial markets. Members shall reduce risk of cross border linkage and intermediary, focusing on facilitation of regulatory activities. Members shall leverage their strengths in economies of scale to promote orderly distribution of market resources and boost efficiency and transparency of services.

ACG will implement principles based on equality, mutual assistance, openness, and win-win cooperation to adjust to market diversity and innovation, and expand the value chain. In cross-border business, it shall be necessary to seek thorough involvement and participation of all types of institutions within and outside the region.

Moreover, ACG envisions becoming a regional think tank for the securities services industry, acting as an intermediary between CSDs, regulators and other associated institutions. It will seek to add perspective to the capital markets and establish guiding principles whereby standards and best practices can be defined and implemented. It is this vision that is being initiated in Xi’an, China by the members of ACG during their 18th General meeting. Development of regional financial market infrastructure should keep up with the development of regional financial security net and fund pool to enrich the essence of regional financial cooperation.