

## Australian Prudential Regulation Authority Commonwealth Regulatory Plan - June 2001

Also available at [www.apra.gov.au](http://www.apra.gov.au)

### Section 1

#### Template for items on past regulatory changes

Title	Harmonised Prudential Standards for Authorised Deposit-taking Institutions (ADIs)
Description of issue	<p>A harmonised set of prudential standards covering all ADIs (including banks, credit unions and building societies) were issued in September 2000 under the <i>Banking Act 1959</i> to replace the Prudential Statements for banks and the Financial Institutions Scheme Prudential Standards for credit unions and building societies.</p> <p>The harmonised ADI standards cover the following areas:</p> <ul style="list-style-type: none"> <li>• Capital Adequacy</li> <li>• Capital Adequacy: Measurement of Capital</li> <li>• Capital Adequacy: Credit Risk</li> <li>• Capital Adequacy: Market Risk</li> <li>• Funds Management &amp; Securitisation</li> <li>• Liquidity</li> <li>• Credit Quality</li> <li>• Large Exposures</li> <li>• Equity Associations</li> <li>• Audit &amp; Related Arrangements for Prudential Reporting</li> </ul>
Date of effect	1 October 2000
Contact details	<p>Ms Kelly Yeung Policy Development APRA Ph: 9210 3000 E-mail: <a href="mailto:kelly.yeung@apra.gov.au">kelly.yeung@apra.gov.au</a></p>
Industries affected	Finance; Financial Institutions (i.e. authorised deposit-taking institutions including banks, credit unions and building societies)
Topic	Finance (Prudential Standards for Authorised Deposit-taking Institutions)

Title	Variation of APRA Transitional Prudential Standards
Description of issue	To remove those parts of the APRA transitional prudential standards (preserved by regulation 12 of the <i>Financial Sector Reform (Amendments and Transitional Provisions) Regulations 1999</i> ) that cover matters addressed by the harmonised ADI Standards.
Date of effect	1 October 2000

Contact details	Ms Kelly Yeung Policy Development APRA Ph: 9210 3000 E-mail: <a href="mailto:kelly.yeung@apra.gov.au">kelly.yeung@apra.gov.au</a>
Industries affected	Finance; Financial Institutions (credit unions and building societies)
Topic	Finance (Issuance of harmonised Prudential Standards for Authorised Deposit-taking Institutions)

Title	Amendment of Modification Declaration No. 23
Description of issue	The purpose of the amendment of modification declaration 23 is to: ensure that the amendments made by the Superannuation Legislation Amendment Act (No 3) 1999 to definitions relating to small superannuation funds contained in the Superannuation Industry (Supervision) Act 1993 (SIS Act) are reflected in modification declaration number 23; and provide more certainty for actuaries in preparing the actuarial report required by the modification declaration.
Date of effect	18/10/00
Contact details	Ms Jane Barrett Policy Development APRA Ph: 9210 3000 E-mail: <a href="mailto:jane.barrett@apra.gov.au">jane.barrett@apra.gov.au</a>
Industries affected	Finance and Insurance; Superannuation funds
Topic	Finance and Insurance; Superannuation funds

Title	Instrument fixing charges to be paid to APRA
Description of issue	Section 51 of the <i>Australian Prudential Regulation Authority Act 1998</i> enables APRA to fix charges for services and facilities it provides to persons
Date of effect	1 July 2000
Contact details	Office of General Counsel APRA Ph: 9210 3000 E-mail: <a href="mailto:andra.benson@apra.gov.au">andra.benson@apra.gov.au</a>
Industries affected	Finance and Insurance; Financial Institutions; Insurance Services; Superannuation funds; Authorised deposit taking institutions, Banks; Credit Unions; Building Societies; Life Insurance; General Insurance
Topic	Finance and Insurance; Financial Institutions; Insurance Services; Superannuation funds; Authorised deposit taking institutions, Banks; Credit Unions; Building Societies; Life Insurance; General

	Insurance
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Title	Instrument fixing charges to be paid to APRA
Description of issue	One-off charge for general insurance industry.
Date of effect	14 December 2000
Contact details	Office of General Counsel APRA Ph: 9210 3000 E-mail: <a href="mailto:andra.benson@apra.gov.au">andra.benson@apra.gov.au</a>
Industries affected	Finance and Insurance; Financial Institutions; Insurance Services; General Insurance
Topic	Finance and Insurance; Financial Institutions; Insurance Services; General Insurance

Title	Approval of form of annual return and Trustee certificate (2000-2001)
Description of issue	Prescribes form of annual returns, etc.
Date of effect	2000-2001 financial year
Contact details	Office of General Counsel APRA Ph: 9210 3000 E-mail: <a href="mailto:andra.benson@apra.gov.au">andra.benson@apra.gov.au</a>
Industries affected	Finance and Insurance; Financial Institutions; Superannuation funds
Topic	Finance and Insurance; Financial Institutions; Superannuation funds

Title	Amendment of Modification Declaration No. 23
Description of issue	Delegation issue. Changed all references from “CEO” to “APRA” throughout declaration so that delegates in APRA other than the CEO can exercise powers in the modification declaration.
Date of effect	31 January 2001
Contact details	Office of General Counsel APRA Ph: 9210 3000 E-mail: <a href="mailto:andra.benson@apra.gov.au">andra.benson@apra.gov.au</a>
Industries affected	Finance and Insurance; Financial Institutions; Superannuation funds
Topic	Finance and Insurance; Financial Institutions; Superannuation funds

## Section 2

### Template for items on planned regulatory activity

Title	Set of Prudential Standards for General Insurers
Description of issue	The Prudential Standards will sit under the revised <i>Insurance Act 1973</i> and will form part of the regulatory regime for general insurers. General insurance prudential standards: <ul style="list-style-type: none"> <li>• Capital Adequacy</li> <li>• Liability Valuation</li> <li>• Risk Management</li> <li>• Reinsurance</li> </ul>
Consultation opportunities	APRA has published three rounds of consultation documents on the proposed changes to the Insurance Act.  Comments have been requested on the third round of consultation papers by 30 June 2001. These papers can be found on APRA's website: <a href="http://www.apra.gov.au">www.apra.gov.au</a>
Expected timetable	
Contact details	Ms Laura Abbatantuono Policy Development APRA Ph: 9210 3000 E:mail: <a href="mailto:laura.abbatantuono@apra.gov.au">laura.abbatantuono@apra.gov.au</a>
Industries affected	Financial institutions; Insurance services; General insurance; Insurance
Topic	Financial institutions; Insurance services; General insurance; insurance

Title	Regulation 5 of the <i>APRA Regulations 1998</i>
Description of issue	APRA is in the process of seeking the assistance of Treasury to amend regulation 5 of the <i>Australian Prudential Regulation Authority Regulations 1998</i> to provide that the National Crime Authority, Superannuation Complaints Tribunal, the Australian Transaction Reports and Analysis Centre and the Australian Stock Exchange are specified for the purposes of paragraph 56(5)(a) of the <i>Australian Prudential Regulation Authority Act 1998</i> .
Consultation opportunities	This is a minor administrative amendment with no direct impact on financial institutions of the wider community.
Expected	

timetable	
Contact details	Mr David Price Policy Development APRA Ph: 9210 3000 E-mail: <a href="mailto:david.price@apra.gov.au">david.price@apra.gov.au</a>
Industries affected	Financial institutions; Insurance services; General insurance; Insurance
Topic	Financial institutions; Insurance services; General insurance; insurance

Title	Self-Insurance for Accumulation funds
Description of issue	Non-public offer accumulation funds will be prohibited from self-insuring unless they insure 200 or more lives, and have in place an insurance strategy. The strategy would be subject to actuarial oversight and be part of the ambit of a compliance audit of the superannuation entity, conducted by an approved auditor under the <i>Superannuation Industry (Supervision) Act 1993</i> . These proposed amendments would ensure that the provision of self-insurance is subject to adequate prudential safeguards.
Consultation opportunities	Treasury has undertaken consultation on the proposed Regulations with superannuation industry bodies.
Expected timetable	The proposed regulation has been drafted.  Further advice has been sought from the Institutes of Actuaries of Australia on certain aspects of the draft Regulations.
Contact details	Ms Jane Barrett Policy Development APRA Ph: 9210 3069 E-mail: <a href="mailto:jane.barrett@apra.gov.au">jane.barrett@apra.gov.au</a>
Industries affected	Finance and Insurance; Superannuation funds
Topic	Finance and Insurance; Superannuation funds

Title	Infringement notice
Description of issue	The notice, under the <i>Financial Sector (Collection of Data) Bill 2001</i> , will apply to trustees of superannuation funds that fail to lodge annual returns on time.
Consultation opportunities	Superannuation industry consulted

Expected timetable	Proposed to be finalised November 2001
Contact details	Mr David Holmesby APRA Ph: 9210 3000 E-mail: <a href="mailto:david.holmesby@apra.gov.au">david.holmesby@apra.gov.au</a>
Industries affected	Finance and Insurance; Financial institutions; Superannuation funds
Topic	Finance and Insurance; Financial institutions; Superannuation funds