



9 January 2023

TO: ALL LOCALLY INCORPORATED LCR ADIs

AGGREGATE COMMITTED LIQUIDITY FACILITY

The final reduction of the Committed Liquidity Facility (CLF) has occurred as scheduled, and therefore as at 1 January 2023 the aggregate CLF has been fully phased-out to zero.

The CLF was introduced to the Liquidity Coverage Ratio (LCR) framework in Australia in 2015 in response to the relatively low levels of government debt on issue at that time. APRA and the RBA now consider there to be sufficient high-quality liquid assets (HQLA) for locally incorporated LCR ADIs to meet LCR requirements, and therefore use of the CLF is no longer required.

Yours sincerely,

Paul Tattersall
Executive Director
Banking Division