



Australian Banking  
Association

4 October 2024

General Manager, Policy  
Australian Prudential Regulation Authority

By email: [policydevelopment@apra.gov.au](mailto:policydevelopment@apra.gov.au)

Dear General Manager,

## Prudential Framework Minor Updates

The ABA welcomes the opportunity to respond to the consultation on APRA's proposed minor updates to the prudential framework announced on 6 September 2024. In particular, we note the proposed change to Attachment A Paragraph 5 of *APS 110 Capital Adequacy* regarding the transition arrangement for market risk capital.

The ABA had previously recommended this change in our response to the consultation on [ADI capital reforms: Minor updates](#) provided earlier in March 2024. Following the commentary on market risk and the Fundamental Review of the Trading Book (FRTB) in APRA's 2024-25 Corporate Plan, we maintain our support for this change.

The ABA note the other proposed changes in the consultation.

If you have any questions with respect to this letter, please do not hesitate to contact me at

[REDACTED]

Kind Regards,

[REDACTED]

[REDACTED]

Policy Director

### About the ABA

The Australian Banking Association advocates for a strong, competitive and innovative banking industry that delivers excellent and equitable outcomes for customers. We promote and encourage policies that improve banking services for all Australians, through advocacy, research, policy expertise and thought leadership.