



## Reporting Standard ARS 750.0

### DAWR Agricultural Lending

#### Objective of this Reporting Standard

This Reporting Standard outlines the requirements for the provision of information to Australian Prudential Regulation Authority (APRA) relating to an authorised deposit-taking institution's (ADI's) or registered financial corporation's (RFC's) lending and leasing for agricultural activity, and the extent to which those loans and leases are past due or in distress.

It includes *Reporting Form ARF 750.0 DAWR Agricultural Lending Data* and the associated specific instructions.

#### Authority

1. This Reporting Standard is made under section 13 of the *Financial Sector (Collection of Data) Act 2001*.

#### Purpose

2. Information collected on *Reporting Form ARF 750.0 DAWR Agricultural Lending* are used by the DAWR for policymaking purposes. The information may also be used by APRA, ABS or RBA.

#### Application and commencement

3. This Reporting Standard applies to all authorised deposit-taking institutions (ADIs).
4. This Reporting Standard applies to a registered financial corporation (RFC) that falls within paragraph 7.
5. This Reporting Standard applies for reporting periods ending on or after 30 June 2017.

#### Information required

6. An ADI must provide APRA with the information required by ARF 750.0 on a domestic books basis for each reporting period.

7. Subject to paragraph 8, an RFC must provide APRA with the information required by Form ARF 750.0 in respect of a reporting period if, at the end of the most recent complete financial year for the registered entity, it:
  - (a) had total assets of \$50 million or more;<sup>1</sup> or
  - (b) was one of a number of registered entities that, during the reporting period, were related bodies corporate of each other and, at the end of the most recent complete financial year for the first-mentioned registered entity, had combined total assets of \$50 million or more.
8. However, an RFC is not required to report in respect of a particular reporting period if another registered entity has reported under this Reporting Standard in respect of that reporting period, and that other entity is a *related body corporate* of the first-mentioned registered entity.

### Method of submission

9. The information required by this Reporting Standard must be given to APRA in electronic form using the 'Direct to APRA' (also known as 'D2A') application, or by a method notified by APRA in writing prior to submission.

*Note:* the 'Direct to APRA' application software may be obtained from *APRA*.

### Reporting periods and due dates

10. The information required by this Reporting Standard must be provided to APRA in respect of each year ending 30 June.
11. The information required by this Reporting Standard must be provided to APRA within 3 months after the end of the reporting period to which the information relates.<sup>2</sup>
12. APRA may, by notice in writing, change the reporting periods, or specified reporting periods, for a particular ADI or RFC, to require it to provide the information specified in this Reporting Standard more frequently, or less frequently, having regard to:
  - (a) the particular circumstances of the ADI or RFC; and
  - (b) the extent to which the information is necessary for the purposes of the DAWR.
13. APRA may grant an ADI or RFC an extension of a due date, in writing, in which case the new due date for the provision of the information will be the date on the notice of extension.

### Quality control and assurance

14. All information provided by an ADI or RFC under this Reporting Standard must be subject to processes and controls developed by the ADI or RFC for the internal review and authorisation of that information. These systems, processes and controls developed

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<sup>1</sup> For the purposes of this test, assets are to be valued in accordance with their current market value.

<sup>2</sup> To avoid doubt, if the due date for a particular reporting period falls on a day other than a usual business day, an ADI or RFC is nonetheless required to submit the information required no later than the due date.

by the ADI or RFC are to ensure the completeness and reliability of the information provided.

### Authorisation

15. When an officer or agent of an ADI or RFC provides the information required by this Reporting Standard using the 'Direct to APRA' software, it will be necessary for the officer or agent to digitally sign the relevant information using a digital certificate acceptable to APRA.

### Minor alterations to forms and instructions

16. APRA may make minor variations to:
  - (a) a form that is part of this Reporting Standard, and the instructions to such a form, to correct technical, programming or logical errors, inconsistencies or anomalies; or
  - (b) the instructions to a form, to clarify their application to the formwithout changing any substantive requirement in the form or instructions.
17. If APRA makes such a variation it must notify in writing each ADI or RFC that is required to report under this Reporting Standard.

### Interpretation

18. In this Reporting Standard:

***agricultural activity*** means economic activity in one of the industry classifications listed on the *ARF 750.0 DAWR Agricultural Lending*.

***ABS*** means the Australian Bureau of Statistics established under the *Australian Bureau of Statistics Act 1975*.

***APRA*** means the Australian Prudential Regulation Authority established under the *Australian Prudential Regulation Authority Act 1998*.

***authorised deposit-taking institution (ADI)*** means an authorised deposit-taking institution within the meaning of the *Banking Act 1959*.

***DAWR*** means the Department of Agriculture and Water Resources<sup>3</sup> or any Commonwealth government department that assumes or succeeds to its functions.

***domestic books***

For an ADI:

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<sup>3</sup> including the Australian Bureau of Agricultural and Resource Economics and Sciences

Means an unconsolidated report of positions, transactions and other information recorded on the ADI's Australian books, including transactions and positions with both residents and non-residents.

For an RFC:

Means an unconsolidated report of positions, transactions and other information recorded on the Australian books of the registered entity. Includes transactions and positions with both residents and non-residents that are recorded on the Australian books of these entities.

In the case of a foreign based RFC (an RFC that does not have a physical presence in Australia) domestic books refers to the books of that RFC which record the positions, transactions and other information relating to that entity's business and assets located in Australia

In general, do not consolidate positions, transactions and other information recorded on the books of related parties (such as subsidiaries, SPVs or parent entities) and of overseas-based entities (e.g. overseas-based branches and offshore banking units (within the meaning of section 128AE of the Income Tax Assessment Act 1936)).

However, where an RFC elects to report on behalf of a group of RFCs, these entities are to be consolidated for reporting purposes.

**due date** means the last day of the 3-month period provided for in paragraph 10.

**RBA** means the Reserve Bank of Australia established under the *Reserve Bank of Australia Act 1959*.

**registered financial corporation (RFC)** means a corporation that is a **registered entity** under the *Financial Sector (Collection of Data) Act 2001*

**registered entity** has the meaning given in the Financial Sector (Collection of Data) Act 2001 (that is, a corporation whose name is entered in the Register of Entities kept by APRA under section 8 of that Act).

*Note:* references to registered financial corporations in the forms and instructions that form part of this reporting standard are taken to have the same meaning as registered entity.

**related body corporate** has the meaning given in section 50 of the Corporations Act 2001.

**reporting period** means a period mentioned in *paragraph 10*

## ARF\_750\_0: DAWR Agricultural Lending

**Australian Business Number**

**Institution Name**

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**Reporting Period**

**Scale Factor**

Annual	Banks - millions of dollars to 3 decimal places Other ADIs and RFCs - thousands of dollars
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**Reporting Consolidation**

Domestic books
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### 1. Agricultural activity by state and territory

State/territory (1)	Industry classification (2)	Total balance outstanding (3)	Total facility limits (4)	Total value of loans > 90 days past due (5)	Total number of borrowers (6)	Total number of borrowers > 90 days past due (7)
NSW	Beef cattle					
VIC	Beef cattle feedlots					
QLD	Sheep and sheep- beef					
SA	Pigs					
WA	Dairy					
TAS	Poultry (meat and eggs)					

ACT	Other livestock (horses, deer, beekeeping, other livestock)
NT	Grain growing and mixed grains- livestock
	Cotton
	Sugar cane
	Vegetables (incl. mushrooms)
	Grape growing
	Fruit and nuts
	Nursery and floriculture
	Other crop growing

- 1.1. Total NSW
- 1.2. Total VIC
- 1.3. Total QLD
- 1.4. Total SA
- 1.5. Total WA
- 1.6. Total TAS
- 1.7. Total ACT
- 1.8. Total NT

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**2. Distress by state and territory**

State/territory (1)	Number of new instances of farm debt mediation (2)	Total balance outstanding of new foreclosures (3)	Number of new foreclosures (4)
NSW			
VIC			
QLD			
SA			
WA			
TAS			
ACT			
NT			

2.1. Total

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# Reporting Form ARF 750.0

## DAWR Agricultural Lending

### Instructions

These instructions assist completion of *Reporting Form ARF 750.0 DAWR Agricultural Lending Data* (ARF 750.0). This form collects information relating to the lending activities to agricultural *business entities* of *ADIs* and *RFCs* on a *domestic books* basis.

Information reported in ARF 750.0 is required primarily for purposes of the DAWR. This information is required for various purposes, including formulating government credit policy, establishing government credit mechanisms, and debt relief policy for agricultural *business entities*. This information may also be used by APRA for prudential purposes.

### Reporting entity

An *ADI* or *RFC* to which this Reporting Standard applies must complete ARF 750.0 on a *domestic books* basis

### Reporting basis and unit of measurement

These instructions specify the reporting basis and unit of measurement that applies to each item.

For reporting purposes, unless specified otherwise, data are to be entered as a positive number.

### Values

Unless otherwise specifically stated, information reported on this form should comply with Australian Accounting Standards.

Report monetary amounts on ARF 750.0 in Australian dollars or the Australian dollar equivalent of the foreign currency amount. Amounts denominated in foreign currency are to be converted to AUD in accordance with *AASB 121 The Effects of Changes in Foreign Exchange Rates* (AASB 121).

Values on ARF 750.0 are to be reported as thousands of dollars.

### Standard Business Reporting (SBR)

The accounting type (i.e. credit or debit) is stated for all monetary items and represents the natural accounting type of the item collected.



## Specific instructions – ARF 750.0

Terms highlighted in *bold italics* indicate that the definition is provided in this Reporting Standard.

All derived fields in the form are shaded in grey and are explained in words as a mathematical expression in these instructions.

Examples included under ‘Include’ and ‘Exclude’ are indicative only and should not be taken as an exhaustive list of items to be included or excluded.

Loans extended to *related parties* should be excluded.

### 1. Agricultural activity by state and territory

Item 1 collects information on the *balance outstanding* and *total facility limits (including redrawable amounts)* for *loans and leases* to *business entities* and *business entities* more than *90 days past due* in the context of agricultural activity, divided by *state/territory*.

**Reporting basis:** report item 1 as at the end of the *reporting period*.

**SBR:** submit data in columns 3, 4 and 5 with accounting type of debit (assets).

<b>Column 1</b>	The <i>state/territory</i> in which the <i>business entity</i> 's agricultural activity for which the loan or lease provided is undertaken. Where a loan or lease is directed to agricultural activity across multiple states and territories, attribute the loan to the <i>state/territory</i> in which a majority of the activity is undertaken.
<b>Column 2</b>	The <i>industry classification</i> of the <i>business entity</i> 's agricultural activity for which the loan or lease provided is undertaken. Where a loan or lease is directed to agricultural activity across multiple <i>industry classifications</i> , attribute the loan to the <i>industry classification</i> in which a majority of the activity is undertaken.
<b>Column 3</b>	The total <i>balance outstanding</i> of <i>loans and leases</i> to <i>business entities</i> within the <i>state/territory</i> and <i>industry classification</i> selected.
<b>Column 4</b>	The total <i>facility limits</i> of <i>loans and leases</i> to <i>business entities</i> within the <i>state/territory</i> and <i>industry classification</i> selected.
<b>Column 5</b>	The total <i>balance outstanding</i> of <i>loans and leases</i> to <i>business entities</i> within the <i>state/territory</i> and <i>industry classification</i> selected for which the loan or lease is more than <i>90 days past due</i> .
<b>Column 6</b>	The total number of <i>business entities</i> with a <i>balance outstanding</i> for <i>loans and leases</i> within the <i>state/territory</i> and <i>industry classification</i> selected.
<b>Column 7</b>	The total number of <i>business entities</i> with a <i>balance outstanding</i> for <i>loans and leases</i> within the <i>state/territory</i> and <i>industry classification</i> selected for which the loan or lease is more than <i>90 days past due</i> .

<b>Item 1</b>	Complete the columns for each <i>state/territory</i> and <i>industry classification</i> as specified above.
<b>Item 1.1</b>	Derived total for NSW across all <i>industry classifications</i> .
<b>Item 1.2</b>	Derived total for VIC across all <i>industry classifications</i> .
<b>Item 1.3</b>	Derived total for QLD across all <i>industry classifications</i> .
<b>Item 1.4</b>	Derived total for SA across all <i>industry classifications</i> .
<b>Item 1.5</b>	Derived total for WA across all <i>industry classifications</i> .
<b>Item 1.6</b>	Derived total for TAS across all <i>industry classifications</i> .
<b>Item 1.7</b>	Derived total for ACT across all <i>industry classifications</i> .
<b>Item 1.8</b>	Derived total for NT across all <i>industry classifications</i> .

## 2. Distress by state and territory

Item 2 collects information on number of new *farm debt mediations* and number of new *foreclosures* undertaken on *loans and leases* in relation to agricultural *industry classifications* by *state/territory*.

**Reporting basis:** report item 2 during the *reporting period*.

**SBR:** submit data in column 3 with accounting type of debit (assets).

<b>Column 1</b>	The <i>state/territory</i> in which the <i>business entity's</i> agricultural activity for which the loan or lease provided is undertaken. Where a loan or lease is directed to agricultural activity across multiple states and territories, attribute the loan or lease to the <i>state/territory</i> in which a majority of the activity is undertaken.
<b>Column 2</b>	The total number of <i>business entities</i> for which a new instance of <i>farm debt mediation</i> has been initiated on loans or leases for agricultural activity during the <i>reporting period</i> by <i>state/territory</i> .
<b>Column 3</b>	The total <i>balance outstanding</i> of <i>loans and leases</i> to <i>business entities</i> for which a new <i>foreclosure</i> process has been initiated on loans or leases for agricultural activity during the <i>reporting period</i> by <i>state/territory</i> .
<b>Column 4</b>	The total number of <i>business entities</i> for which a new <i>foreclosure</i> process has been initiated on loans or leases for agricultural activity during the <i>reporting period</i> by <i>state/territory</i> .

<b>Item 2</b>	Complete the columns as specified above.
<b>Item 2.1</b>	Calculated total for all <i>states/territories</i> .

## Glossary of terms

<b><i>Balance outstanding</i></b>	<p>The amount owed by borrowers at the end of the <i>reporting period</i>. The <b><i>balance outstanding</i></b> is the original loan or lease amount, less amortisation and other repayments, plus any redraw facilities drawn. The balance should be reported gross of provisions. Do not net any deposit balances in offset accounts against the outstanding loan amount. For revolving credit facilities, report the drawn amount.</p> <p>For example:</p> <ul style="list-style-type: none"> <li>• a loan with an amortised value of \$100,000, excess repayments of \$20,000, and no redraws has a balance outstanding of \$80,000; and</li> <li>• a loan with an amortised value of \$100,000, no excess repayments, and redraws of \$10,000 has a balance outstanding of \$110,000.</li> </ul>
<b><i>Business entities</i></b>	An entity that undertakes productive activities where these activities constitute the entity's primary source of incomes
<b><i>Farm debt mediation</i></b>	<p>A structured negotiation process where a neutral and independent mediator assists the borrower and the creditor to try to reach agreement about current and future debt arrangements.</p> <p>In some states/territories, farm debt mediation is compulsorily (legislated) required ahead of the creditor wishing to undertake any <b><i>foreclosure</i></b> action.</p>
<b><i>Foreclosure</i></b>	Proceeding in which the reporting institution takes possession of a mortgaged property.
<b><i>Industry classification</i></b>	An individual <b><i>business entity</i></b> is assigned to an <b><i>industry classification</i></b> based on its predominant activity. The kinds of <b><i>industry classifications</i></b> collected in the ARF 750.0 are listed at the end of these instructions, under the heading 'Industry classification' with respect to Australian and New Zealand Standard Industrial Classification (ANZSIC) 2006 classes.
<b><i>Loans and leases</i></b>	<p>Amount owing to a creditor evidenced by non-negotiable documents.</p> <p>It includes:</p> <ul style="list-style-type: none"> <li>• advances;</li> <li>• secured and unsecured loans;</li> <li>• mortgages;</li> <li>• commercial loans;</li> </ul>

	<ul style="list-style-type: none"> <li>• redeemable preference share finance not evidenced by a security;</li> <li>• treasury-related short-term borrowings from other banks;</li> <li>• lease arrangements; and</li> <li>• equity participation in leveraged leases.</li> </ul>
<b><i>90 days past due</i></b>	<p>A facility subject to a regular repayment schedule is regarded as <b><i>90 days past due</i></b> when:</p> <p>(a) at least 90 calendar days have elapsed since the due date of a contractual payment that has not been met in full; and</p> <p>(b) the total amount outside contractual arrangements is equivalent to at least 90 days' worth of contractual payments.</p> <p>An item ceases to be classified as <b><i>90 days past due</i></b> when arrears have been reduced so that the exposure is no longer <b><i>90 days past due</i></b>.</p>
<b><i>Related parties</i></b>	<b><i>Related parties</i></b> of the reporting entity include the parent entity, controlled entities, associated entities, joint venture entities and other branches under the same parent entity.
<b><i>State/territory</i></b>	Refers to a state or territory of Australia.
<b><i>Total facility limits (including redrawable amounts)</i></b>	The limit of facilities available to <b><i>borrowers</i></b> , including outstanding balances and any additional amounts available to be drawn without additional authorisation or approval. That is, the full amount of funds which may be drawn by the borrower, without any additional approval by the lender, as at the end of the <b><i>reporting period</i></b> .

**Industry classification**

<b>Industry classification</b>	<b>ANZSIC 2006 class or classes</b>
Livestock industries	
<i>Beef cattle</i>	0142
<i>Beef cattle feedlots</i>	0143
<i>Sheep and sheep-beef</i>	0141, 0144
<i>Pigs</i>	0192
<i>Dairy</i>	0160
<i>Poultry (meat and eggs)</i>	0171, 0172
<i>Other livestock (horses, deer, beekeeping, other livestock)</i>	0180, 0191, 0193, 0199
Cropping industries	
<i>Grain growing and mixed grains-livestock</i>	0146, 0149, 0145
<i>Cotton</i>	0152
<i>Sugar cane</i>	0151
<i>Vegetables (incl. mushrooms)</i>	0122, 0123, 0121
<i>Grape growing</i>	0131
<i>Fruit and nuts</i>	0132, 0133, 0134, 0135, 0136, 0137, 0139
<i>Nursery and floriculture</i>	0111, 0112, 0113, 0114, 0115
<i>Other crop growing</i>	0159