



CRIS: ASIC INDUSTRY FUNDING MODEL (2022–23)

This document is part of [ASIC's 2022–23 CRIS](#). It should be read in conjunction with the other documents that make up the CRIS, including the key terms.

E Market infrastructure and intermediaries sector

Key points

This document outlines:

- our work during 2022–23 to regulate the market infrastructure and intermediaries sector: for our ongoing regulatory activities, see paragraphs 1–11, and for our strategic work, see Table 1;
- the estimated levies to recover our costs—for a summary of the estimated levies for each subsector, see Table 2–Table 3; and
- more detailed breakdowns of estimated costs for each subsector—see paragraphs 15–39.

The estimated levies are a guide only. The final levies will be based on our actual cost of regulating each subsector in 2022–23.

Overview of the market infrastructure and intermediaries sector

1 The market infrastructure and intermediaries sector consists of:

(a) market infrastructure providers, including:

- (i) market licensees;
- (ii) clearing and settlement (CS) facility operators;

Note: CS facilities are broken into four tiers. Determining which of the four tiers a facility is part of is based on the systemic importance and the strength of the domestic connection of the facility. Entities should consider the matters set out in s827A of the Corporations Act when determining whether their CS facility is systemically important and the strength of the domestic connection to Australia. Additionally, the Council of Financial Regulators (CFR) published [Application of the regulatory influence framework for cross-border central counterparties](#) (March 2014), which sets out requirements for the different tiers of CS facilities.

- (iii) Australian derivative trade repository operators;
- (iv) exempt market operators;
- (v) credit rating agencies; and
- (vi) benchmark administrator licensees; and

- (b) market intermediaries, including:
 - (i) market participants;
 - (ii) securities dealers;
 - (iii) corporate advisers and over-the-counter (OTC) traders;
 - (iv) retail OTC derivatives issuers; and
 - (v) wholesale electricity dealers.

Ongoing regulatory work

- 2 We use the full suite of our regulatory tools to promote integrity in this sector to bring about sound consumer and investor outcomes. This includes, where appropriate, taking enforcement action to address misconduct. This action may span several years. It may also include the use of the product intervention power when there is a risk of significant consumer detriment, and more intensive supervision of selected institutions.
- 3 The level of our regulatory activity in each subsector in the market infrastructure and intermediaries sector depends on the nature of the services offered, as well as the scale of operations. For example, those with significant customer bases present a greater potential risk to consumers, investors and markets and, therefore, may require more regulatory attention.
- 4 We work closely with the Australian Government and other regulatory agencies (particularly the Reserve Bank of Australia (RBA) and the Australian Prudential Regulation Authority (APRA)) to achieve a coordinated approach to regulation.
- 5 We also continue to work with our regulated population to improve compliance and market integrity and minimise consumer harm, while improving our understanding of issues and industry developments.

Market infrastructure providers

- 6 Our supervision and surveillance of market infrastructure providers is critical to maintaining the resilience, integrity and stability of financial markets. Our role is to oversee these providers' compliance with their obligations under the financial services laws, to help ensure good consumer and investor outcomes, and to maintain trust and integrity in Australia's financial markets.
- 7 As part of our role, we undertake reviews of the performance and compliance of market infrastructure providers. These reviews include real-time frontline supervision and surveillance of trading on licensed domestic markets, periodic assessments, strategic market-wide and individual entity reviews, ongoing engagement, and periodic remediation. Through this activity we seek to efficiently and effectively identify harms, provide

feedback and guidance to providers, and take further regulatory action where needed.

- 8 We are also focused on supporting entities as they carry out their operations. A key consideration across all of our work is how we can support the growth of the Australian economy.

Market intermediaries

- 9 Market intermediaries play a key role in maintaining the fair and efficient functioning of financial markets. To maintain trust and integrity in financial markets, we:

- (a) supervise market intermediaries' compliance with the Corporations Act and ASIC-made rules, including the market integrity rules; and
- (b) test that market intermediaries are meeting their AFS licence obligations.

- 10 Our work is focused on proactive and reactive supervision and surveillance of market intermediaries. We aim to effectively and efficiently identify harms, and foster constructive and timely behavioural change. This includes undertaking real-time surveillance of trading on equity markets and post-trade surveillance on futures and OTC markets. We take regulatory and enforcement action where appropriate, including using ASIC's product intervention power.

- 11 We also continue to remove unnecessary regulatory burden by revising ASIC market integrity rules and providing regulatory relief, where appropriate.

Strategic work for this sector

- 12 ASIC's [Corporate Plan 2022–26: Focus 2022–23](#) outlines our strategic priorities for the next four years and our planned actions for 2022–23. The corporate plan also sets out our core strategic projects, which support the delivery on our strategic priorities.

- 13 Our strategic priorities also inform our [2023 enforcement priorities](#), which communicate our intent to industry and indicate where we will direct our resources and expertise.

- 14 Table 1 sets out our areas of focus in the market infrastructure and intermediaries sector in 2022–23.

Note: In Table 1, the strategic work may apply to the listed relevant subsectors, depending on prevailing circumstances. Our key actions for some strategic work can apply to multiple sectors and subsectors, particularly for our core strategic projects. This means that there may be other relevant sectors and subsectors for this work outside the market infrastructure and intermediaries sector.

Table 1: Strategic work in market infrastructure and intermediaries sector (2022–23)

Focus area	Key actions	Relevant subsector
Cyber and operational resilience (core strategic project)	<ul style="list-style-type: none"> • Implementing a cross-industry self-assessment to benchmark and increase cyber resilience in our regulated population. • Engaging with industry to promote good practices and support initiatives that enhance cyber resilience. • Partnering with other regulators to harmonise regulatory approaches and action. • Updating the legal and compliance obligations for regulated entities that were first published in Report 429 <i>Cyber resilience: Health check</i> (REP 429). • Supporting the implementation of whole-of-government cyber resilience initiatives relevant to ASIC's regulated entities. • Introducing new market integrity rules aimed at promoting the technological and operational resilience of securities and futures market operators and participants. • Monitoring implementation of the expectations set out in Report 708 <i>ASIC's expectations for industry in responding to a market outage on market resilience</i> (REP 708). • Monitoring implementation of the Cboe technology migration. • Reviewing technology governance arrangements and supervision and controls for remote working. • Taking enforcement action against regulated entities where there are egregious failures to mitigate the risks of cyber attacks and governance failures relating to cyber resilience. 	All market infrastructure providers and intermediaries subsectors

Focus area	Key actions	Relevant subsector
Sustainable finance (core strategic project)	<ul style="list-style-type: none"> • Oversight of sustainability-related disclosure and governance practices • Continuing to work with peer domestic and international regulators (such as the Council of Financial Regulators Climate Working Group and the International Organization of Securities Commissions (IOSCO) Sustainable Finance Task Force) on sustainable finance developments • Licensing and supervision of carbon and related markets. Reviewing carbon OTC derivative transactions and improving reporting standards. • Information sharing with Clean Energy Regulator under existing Memorandum of Understanding (MOU) in relation to carbon markets. • Implementing a new MOU with the Australian Energy Regulator to address misconduct in gas and electricity markets. • Reviewing the issuance of green bonds to assess governance arrangements and identify greenwashing or other types of misconduct. • Taking enforcement action against misconduct, including greenwashing by entities. 	Market licensees
Design and distribution obligations (core strategic project)	<ul style="list-style-type: none"> • Surveilling market intermediaries' compliance with the design and distribution obligations when issuing derivatives, including contracts for difference (CFDs), options and warrants. • Taking enforcement action to address poor design and distribution of products. 	Large securities exchange participants, retail OTC derivative issuers, securities dealers
Crypto-assets (core strategic project)	<ul style="list-style-type: none"> • Supporting the development of an effective regulatory framework, focused on consumer protection and market integrity, following the recent consultation by Treasury. • Taking enforcement action to protect consumers from harms associated with crypto-assets, including those that mimic traditional products but seek to circumvent regulation. • Supervising and assessing Product Disclosure Statements (PDSs) and target market determinations of major crypto offerings within our jurisdiction • Implementing and monitoring the regulatory model for exchange traded products with underlying crypto investments. • Raising public awareness of the risks inherent in crypto-assets and decentralised finance. • Working with domestic and international peers to monitor risks, develop coordinated responses to issues, and develop international policy regarding crypto-assets and decentralised finance. 	Large securities exchange participants, retail OTC derivative issuers, securities dealers

Focus area	Key actions	Relevant subsector
Scams (core strategic project)	<ul style="list-style-type: none"> • Developing enhanced, data-informed approaches to identifying, quantifying and disrupting scams. • Working with other regulators and law enforcement agencies, both domestic and overseas, to disrupt scams and coordinate enforcement strategies. • Reviewing the scam identification and response strategies of authorised deposit-taking institutions (ADIs). • Improving our communications and consumer education, including through social media, to help consumers be more aware of scams and how to identify them. • Taking enforcement action to combat and disrupt serious investment scams. 	Retail OTC derivative issuers, securities dealers
Breach reporting (core strategic project)	<ul style="list-style-type: none"> • Continuing to closely monitor the operation of the new reportable situations regime to further support industry with the practical implementation of the new obligations. • Working with stakeholders to identify and implement solutions that will improve the consistency and quality of reporting practices, including providing further guidance. • Preparing ASIC's first report on insights from reportable situations and commencing development of a framework for ongoing publication of information about the reports received—see Report 740 <i>Insights from the reportable situations regime: October 2021 to June 2022</i> (REP 740). • Developing enhanced data analytics capabilities to harness the value of the information we receive under the regime to achieve better regulatory outcomes. 	All market infrastructure and intermediaries subsectors

Focus area	Key actions	Relevant subsector
CHESS implementation	<ul style="list-style-type: none"> • Closely supervising ASX's implementation of the CHESS replacement, including its: <ul style="list-style-type: none"> – governance of the replacement program; – solution redesign process, following the pause to the replacement program in 2022; – replanning activities, so that the market has a high degree of confidence in a revised go-live date; – management of the risks associated with the implementation of the replacement program, including ASX's delivery capabilities and cutover approach to migrate to the new system; – engagement with stakeholders; and – compliance with the functional and technical requirements for the new system, including its scalability, security and resilience. • Monitoring: <ul style="list-style-type: none"> – ASX Clear and ASX Settlement's response to the findings and recommendations of the ASX CHESS Replacement Application Delivery Review, conducted by Accenture, and how they close identified gaps and improve deficiencies; – ASX Clear and ASX Settlement's compliance with the additional licence conditions, including the provision of the independent expert's reports on ASX's Assurance Program and the status of any remedial actions; – attestations by senior executives and the board that ASX is operationally ready to migrate to the new system; – ASX's continued investment and maintenance of the current CHESS system so that it continues to service the market reliably until, at least, the revised go-live date for the new system. • Analysing and assessing the special report and associated audit report on specified matters related to the current CHESS system produced in response to notices issued by ASIC under s823B of the Corporations Act on 15 December 2022. 	Tier 1 CS facilities, large securities exchange participants

Focus area	Key actions	Relevant subsector
CHESS implementation (continued)	<ul style="list-style-type: none"> • Analysing and assessing the special reports and associated audit reports (produced in response to notices issued by ASIC under s823B of the Corporations Act on 21 February 2023) on ASX Clear and ASX Settlement's: <ul style="list-style-type: none"> – responses to the findings and recommendations of the Accenture review; and – current portfolio, program and project management frameworks, and an assessment of those frameworks against internationally recognised standards. • Analysing and assessing the ASX operating rules changes necessary for the new system, and provide ASIC's advice to the Minister's delegate as to whether to disallow all or a part of the changes. 	Tier 1 CS facilities, large securities exchange participants
Trade surveillance of securities, derivative and wholesale markets (e.g. fixed income, currencies and commodities (FICC) markets)	<ul style="list-style-type: none"> • Identifying insider trading, market manipulation, disorderly trading, misinformed markets and poor behaviour in short-term money markets, domestic swap and futures markets, and cross-currency swap and futures markets. • Developing and using market-wide scanning and analytics tools to identify patterns of serious market misconduct. • Taking appropriate regulatory action against misconduct. 	Large securities exchange participants, large futures exchange participants, securities dealers, OTC traders, market licensees
Trade reporting rule changes	<ul style="list-style-type: none"> • Aligning the OTC derivatives trade reporting requirements in Australia with international requirements, including for the Unique Transaction Identifier (UTI), the Unique Product Identifier (UPI) and Critical Data Elements (CDE). • Enhancing data aggregation and surveillance capabilities, and effective information sharing. 	OTC traders, retail OTC derivative issuers
Enhanced FICC market surveillance system and data analytics	<ul style="list-style-type: none"> • Developing technology to support data-informed surveillance of wholesale FICC markets. • Integrating data from derivative markets. • Enhancing data mining tools for OTC trade repository data. • Building algorithms to test trade report compliance and support cross-market surveillance. 	OTC traders
Binary options product intervention order	Taking action to extend the binary options product intervention order, which was due to expire in October 2022.	Retail OTC derivative issuers

Focus area	Key actions	Relevant subsector
Artificial intelligence, machine learning and automated order processing	<ul style="list-style-type: none"> • Reviewing artificial intelligence and machine-learning practices, risks and controls among market intermediaries. • Developing automated order processing rules and guidance for futures participants. 	Large securities exchange participants, large futures exchange participants, securities dealers, OTC traders
Marketing and distribution practice	<p>Conducting thematic reviews and targeted surveillances of market intermediaries' marketing and distribution practices to:</p> <ul style="list-style-type: none"> • identify and address harms resulting from gamification and algorithmic and copy trading; • address misleading and predatory hawking tactics; and • identify and assess inducements. 	Retail OTC derivative issuers, securities dealers
Using technology to identify poor market disclosure	<ul style="list-style-type: none"> • Working with the Department of Industry, Science, Energy and Resources to implement the Business Research Innovation Initiative. • Working with two regulatory technology (regtech) scale-up businesses to develop an innovative technology solution to identify and assess poor market disclosure by listed companies. 	Large securities exchange participants
Financial market infrastructure (FMI) resolution, enhanced supervisory powers and competition in cash equities clearing and settlement	<ul style="list-style-type: none"> • Assisting the Australian Government and RBA to develop and implement reforms that: <ul style="list-style-type: none"> – introduce a crisis management regime for domestic CS facilities; – provide ASIC with enhanced supervisory powers; and – transfer certain Ministerial powers over FMIs to ASIC. • Assisting the Australian Government with developing legislation that will implement the Competition in Clearing and Settlement reforms. If competition in cash equities clearing and settlement emerges, implementing minimum conditions so competition occurs in a safe and effective manner. If not, continue monitoring the monopoly service provider's compliance with the CFR's policy statement Regulatory expectations for conduct in operating cash equities clearing and settlement. 	Tier 1 CS facility operators, market licensees, benchmark administrator licensees, Australian derivative trade repository operators
London Interbank Offered Rate (LIBOR) transition	<ul style="list-style-type: none"> • Continuing to facilitate and monitor the transition from using LIBOR to robust alternative reference rates. • Providing guidance and recommendations to support the transition effort in Australia. 	OTC traders, benchmark administrator licensees, corporate advisers

Focus area	Key actions	Relevant subsector
Credit rating agencies	<ul style="list-style-type: none">• Monitoring credit rating agencies' compliance with their AFS licence conditions, including additional licence conditions imposed and new ongoing reporting obligations.• Monitoring developments internationally to ensure Australia's standards for credit rating agencies are consistent with global best practice.	Credit rating agencies

Summary tables of estimated industry funding levies for the market infrastructure and intermediaries sector

Table 2: Estimated industry funding levies for the market infrastructure sector

Subsector	Definition	Estimated cost recovery amount	Number of entities	Levy metric description	Minimum levy	Graduated levy threshold	Estimated levy
Large securities exchange operators	Entities that operate a market where 10m or more transactions in securities are entered on the market in the financial year.	\$4.948m	2	<p>Value of transactions</p> <p>The total value of all transactions that:</p> <ul style="list-style-type: none"> are entered into on, or reported to, the large securities exchange(s) operated by the entity in the financial year; are within the operating rules of the exchange(s); and are not invalid or cancelled. 	No minimum levy	No threshold	\$2.29 per \$1m of total transactions
Large futures exchange operators	Entities that operate a market where 10mn or more futures transactions are entered into on the market in the financial year. However, an entity is not part of this subsector if the market being operated is an overseas market or a large securities exchange.	\$1.495m	1	<p>Number of exchanges</p> <p>The number of days in the financial year on which the entity operated their exchange(s), multiplied by the number of exchanges the entity operates.</p>	Not applicable	Not applicable	\$1,495,449

Subsector	Definition	Estimated cost recovery amount	Number of entities	Levy metric description	Minimum levy	Graduated levy threshold	Estimated levy
Small futures exchange operators	Entities that operate a market where less than 10m transactions in futures contracts are entered into on the market in the financial year. However, an entity is not part of this subsector if the market being operated is an overseas market, a small securities (self-listing) exchange or a small securities exchange.	\$0.086m	1	Number of exchanges The number of days in the financial year on which the entity operated their exchange(s), multiplied by the number of exchanges the entity operates.	Not applicable	Not applicable	\$86,155
Small securities exchange operators	Entities that operate a market where less than 10m transactions in securities are entered into on the market in the financial year. However, an entity is not part of this subsector if the market being operated is an overseas market or a small securities (self-listing) exchange.	\$0.739m	2	Number of exchanges The number of days in the financial year on which the entity operated their exchange(s), multiplied by the number of exchanges the entity operates.	Not applicable	Not applicable	\$369,420
Small securities exchange operators with self-listing function only	Entities that operate a market during a financial year where only ordinary shares of the entity can be traded. However, an entity is not part of this subsector if the market is an overseas market or 10m or more transactions are entered into on the market in the financial year.	\$0.000m	1	Number of exchanges The number of days in the financial year on which the entity operated their exchange(s), multiplied by the number of exchanges the entity operates.	Not applicable	Not applicable	\$0

Subsector	Definition	Estimated cost recovery amount	Number of entities	Levy metric description	Minimum levy	Graduated levy threshold	Estimated levy
New specialised market operators	Entities that operate a new market that has not been previously operated in Australia or overseas, and the entity has never previously held a market licence. An entity is part of this subsector for two years after it is licensed to operate a specialised market under s795B(1) of the Corporations Act.	\$0.011m	0	Number of markets The number of days in the financial year on which the entity operated their market(s), multiplied by the number of markets the entity operates.	Not applicable	Not applicable	Not applicable
Established specialised market operators	Entities that operate a specialised market and either: <ul style="list-style-type: none"> operate a market in Australia that has been previously operated by it or another entity in Australia or overseas; operates a new type of market that has never been previously operated in Australia or overseas, but the entity holds or previously held a market licence; or has already operated a new market that has never been previously operated in Australia or overseas for more than two years. 	\$0.590m	16 entities operating 25 markets	Number of markets The number of days in the financial year on which the entity operated their market(s), multiplied by the number of markets the entity operates.	Not applicable	Not applicable	\$25,100

Subsector	Definition	Estimated cost recovery amount	Number of entities	Levy metric description	Minimum levy	Graduated levy threshold	Estimated levy
Overseas market operators	Entities that operate an overseas market that are licensed under s795B(2) of the Corporations Act.	\$0.312m	28 entities operating 29 markets	Number of markets The number of days in the financial year on which the entity operated their market(s), multiplied by the number of markets the entity operates.	Not applicable	Not applicable	\$10,742
Tier 1 CS facility operators	Entities that hold a CS facility licence for a facility that is systemically important in Australia and has a strong connection to the Australian financial system.	\$2.894m	4	Number of facilities The number of days in the financial year on which the entity operated their facility(ies), multiplied by the number of facilities the entity operates.	Not applicable	Not applicable	\$723,450
Tier 2 CS facility operators	Entities that hold a CS facility licence for a facility that is systemically important in Australia but does not have a strong domestic connection to the Australian financial system.	\$0.100m	1	Number of facilities The number of days in the financial year on which the entity operated their facility(ies), multiplied by the number of facilities the entity operates.	Not applicable	Not applicable	\$100,153
Tier 3 CS facility operators	Entities that hold a CS facility licence for a facility that is not systemically important in Australia and does not have a strong domestic connection to the Australian financial system.	\$0.018m	1	Number of facilities The number of days in the financial year on which the entity operated their facility(ies), multiplied by the number of facilities the entity operates.	Not applicable	Not applicable	\$17,589

Subsector	Definition	Estimated cost recovery amount	Number of entities	Levy metric description	Minimum levy	Graduated levy threshold	Estimated levy
Tier 4 CS facility operators	Entities that hold a CS facility licence for the sole purpose of clearing and settling trades in the entity's own shares.	\$0.000m	1	Number of facilities The number of days in the financial year on which the entity operated their facility(ies), multiplied by the number of facilities the entity operates.	Not applicable	Not applicable	\$0
Exempt CS facility operators	Entities that operate a market during a financial year that is exempt from the operation of Pt 7.3 of the Corporations Act.	\$0.010m	2*	Number of facilities The number of days in the financial year on which the entity operated their facility(ies), multiplied by the number of facilities the entity operates.	Not applicable	Not applicable	\$5,031
Australian derivative trade repository operators	Entities that operate a licensed derivative trade repository.	\$0.167m	1	Number of trade repositories The number of days in the financial year on which the entity operated their trade repository(ies), multiplied by the number of repositories the entity operates.	Not applicable	Not applicable	\$167,239

Subsector	Definition	Estimated cost recovery amount	Number of entities	Levy metric description	Minimum levy	Graduated levy threshold	Estimated levy
Exempt market operators	Entities that operate a market that is exempt from the operation of Pt 7.2 of the Corporations Act, unless the market was exempt because of an exemption granted to a class of financial market under s791C of the Corporations Act.	\$0.008m	3	Number of markets The number of days in the financial year on which the entity operated their market(s), multiplied by the number of markets the entity operates.	Not applicable	Not applicable	\$2,745
Credit rating agencies	Entities that hold an AFS licence that authorises them to provide general advice by issuing a credit rating.	\$0.189m	6 (including 3 with a supervisory college)	Number of days agency authorised with a supervisory college The number of days in the financial year on which the entity holds the prescribed AFS licence authorisation and for which there is a supervisory college.	\$2,000	No threshold	Minimum levy of \$2,000, plus \$59,031 for credit rating agencies with a supervisory college
Benchmark administrator licensees	Entities that hold a benchmark administrator licence.	\$0.239m	2	Number of days authorised The number of days in the financial year each entity administers each benchmark it is licensed to administer.	Not applicable	Not applicable	\$119,622

Note: * To calculate the estimated levy for the exempt CS facility operators subsector, we have used the full-year equivalent (FYE) number of entities in the subsector, to reflect the pro rata of the levy.

Table 3: Estimated industry funding levies for the market intermediaries sector

Subsector	Definition	Estimated cost recovery amount	Number of entities	Levy metric description	Minimum levy	Graduated levy threshold	Estimated levy
Large securities exchange participants	Entities that are participants in a large securities exchange during the financial year.	\$18.018m	63	<p>Relative volume of transactions and messages on large securities exchanges</p> <p>The number of messages that are:</p> <ul style="list-style-type: none"> • sent by the participant in the financial year to a large securities exchange; • reported by the large securities exchange operator to our market surveillance system; and • recognised by our market surveillance system as orders or executed transactions. <p>The number of transactions that are:</p> <ul style="list-style-type: none"> • executed on, or reported to, a large securities exchange by the participant in a financial year; • reported by the large securities exchange operator to our market surveillance system; and • recognised by our market surveillance system as executed transactions. <p>When there are multiple reports containing the same information about the same message or transaction, each message or transaction will only be counted once.</p>	\$9,000	No threshold	Minimum levy of \$9,000, plus \$0.0137 per transaction and \$0.00032 per message

Subsector	Definition	Estimated cost recovery amount	Number of entities	Levy metric description	Minimum levy	Graduated levy threshold	Estimated levy
Large futures exchange participants	Entities that are participants in a large futures exchange.	\$7.085m	34	<p>Relative volume of lots and messages on large futures exchanges</p> <p>The number of lots that are:</p> <ul style="list-style-type: none"> • executed on, or reported to, a large futures exchange by the entity in the financial year; • reported by the operator of a large futures exchange to our market surveillance system; and • recognised by our market surveillance system as executed lots. <p>The number of messages that are:</p> <ul style="list-style-type: none"> • sent by the entity to a large futures exchange in a financial year; • reported by the operator of a large futures exchange to our market surveillance system; and • recognised by our market surveillance system as orders or executed transactions. <p>Where there are multiple reports about the same message or lot that contain the same information, each message or lot will only be counted once.</p>	\$9,000	No threshold	Minimum levy of \$9,000, plus \$0.020 per lot and \$0.0023 per message

Subsector	Definition	Estimated cost recovery amount	Number of entities	Levy metric description	Minimum levy	Graduated levy threshold	Estimated levy
Securities dealers	<p>Entities that are:</p> <ul style="list-style-type: none"> • AFS licensees authorised to deal in securities at any time during the financial year; • not a participant in a large futures exchange or a large securities exchange; and • have executed or reported to a large securities exchange more than \$250,000 in transactions in the financial year. 	\$3.142m	1,182	<p>Annual transaction turnover value</p> <p>The total value of transactions in securities (as measured by the buy price plus sale price of securities) that are:</p> <ul style="list-style-type: none"> • executed on, or reported to, a large securities exchange in the financial year; • reported by the large securities exchange operator to our market surveillance system; and <p>Note: This means there is no additional reporting burden on securities dealers, as we calculate it using data from our market surveillance system.</p> <ul style="list-style-type: none"> • recognised by our market surveillance system as executed transactions. 	\$1,000	No threshold	Minimum levy of \$1,000, plus \$9.03 per \$1m of annual transaction turnover

Subsector	Definition	Estimated cost recovery amount	Number of entities	Levy metric description	Minimum levy	Graduated levy threshold	Estimated levy
Corporate advisers	<p>Entities that are AFS licensees (or are exempt from holding an AFS licence under s911A(2)(l) or 926A(2) of the Corporations Act) and either the entity or the entity's authorised representative provides or holds out that it provides one or more of the following financial services:</p> <ul style="list-style-type: none"> financial product advice in Australia to a wholesale client in the course of advising on: <ul style="list-style-type: none"> takeover bids or merger proposals; the structure, pricing acquisition or disposal of assets or enterprises; or raising or reducing capital through the issue or acquisition of equities or debt; or dealing in a financial product in Australia by underwriting the issue, acquisition or sale of the product. 	\$2.871m	343	<p>Revenue from corporate advisory activity</p> <p>The total gross revenue made in the financial year by the corporate adviser, and the authorised representative of the adviser, from:</p> <ul style="list-style-type: none"> providing financial product advice in Australia to a wholesale client in the course of advising on: <ul style="list-style-type: none"> takeover bids and/or mergers; structure pricing and acquisition or disposal of assets or enterprises; and raising or reducing capital through the issue or acquisition of equities or debt; and dealing in a financial product in Australia by underwriting the issue, acquisition or sale of the product. 	\$1,000	\$100,000	Minimum levy of \$1,000, plus \$5.55 per \$10,000 of total revenue above the \$100,000 threshold

Subsector	Definition	Estimated cost recovery amount	Number of entities	Levy metric description	Minimum levy	Graduated levy threshold	Estimated levy
OTC traders	<p>Entities that:</p> <ul style="list-style-type: none"> hold an AFS licence or are exempt from holding a licence under s911A(2)(l) or 926A(2) of the Corporations Act; deal in, or hold out that they deals in, OTC products by acquiring, disposing or issuing OTC products to or from professional investors; and form part of, or is a related body corporate of, an entity in the corporate advisers subsector. <p>An entity will not be part of the subsector, however, if it is part of the responsible entities, superannuation trustees and wholesale trustees subsectors and only deals in, or holds out that it deals in, OTC products as part of its activities relevant to those subsectors.</p>	\$13.578m	80 (2,034 full-time equivalent (FTE) staff)	<p>FTE staff engaged in OTC trading activity</p> <p>The number of persons who ordinarily act on behalf of the OTC trader or their authorised representative and have, at any time in the financial year, carried out one or more of the following activities in relation to dealing in an OTC financial product with a professional investor:</p> <ul style="list-style-type: none"> determining the terms on which the OTC trader is willing to deal; making or accepting an offer or an invitation to deal; and managing the financial risk arising from dealing in a financial product. 	\$1,000	No threshold	Minimum levy of \$1,000, plus \$6,636 per FTE staff engaged in OTC trading activity

Subsector	Definition	Estimated cost recovery amount	Number of entities	Levy metric description	Minimum levy	Graduated levy threshold	Estimated levy
Retail OTC derivative issuers	Entities that are AFS licensees with an authorisation to, with respect to retail clients, deal in a financial product by issuing derivatives and make a market in derivatives. An entity will not, however, fall within the subsector if it is regulated by APRA.	\$9.545m	94	Number of days authorised The number of days in the financial year on which the entity holds the prescribed AFS licence authorisation.	Not applicable	Not applicable	\$107,846
Wholesale electricity dealers	Entities that incur liabilities as part of their ordinary business operations in dealing in, or making a market in, OTC derivatives that relate to the wholesale price of electricity. An entity will not be part of the subsector if it is regulated by APRA or is a participant in a financial market.	\$0.095m	43	Flat levy	Not applicable	Not applicable	\$2,216

Detailed breakdown of estimated costs of regulating each subsector in the market infrastructure and intermediaries sector

- 15 We have provided a breakdown of the costs for each subsector in the market infrastructure and intermediaries sector. We have also included the cost of regulating the subsector in the previous year. For more information about the actual costs for 2021–22, see [our annual dashboard report and summary of variances](#) on our website.

Market infrastructure providers

Market licensees

Large securities exchange operators

- 16 ASIC’s cost of regulating the subsector in 2021–22 was \$5.0 million. The estimated cost of regulating the subsector for 2022–23 is \$4.9 million: see Table 4.

Table 4: Estimated costs to regulate large securities exchange operators

Expense	Estimated cost
Supervision and surveillance	\$1.072m
Enforcement	\$0.076m
Other regulatory activities	
<i>Industry engagement</i>	\$0.304m
<i>Education</i>	\$0.037m
<i>Guidance</i>	\$0.070m
<i>Policy advice</i>	\$0.370m
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.606m
<i>IT support</i>	\$0.579m
<i>Operations support</i>	\$0.530m
<i>Property and corporate services</i>	\$0.588m
Total operating expenditure	\$4.233m
Allowance for capital expenditure	\$0.716m
Less costs funded by own-source revenue	\$0.000m
Adjustment for prior year (under or over recovery)	\$0.000m
Total levy to recover costs	\$4.948m

Large futures exchange operators

- 17 ASIC’s cost of regulating the subsector in 2021–22 was \$1.6 million. The estimated cost of regulating the subsector for 2022–23 is \$1.5 million: see Table 5.

Table 5: Estimated costs to regulate large futures exchange operators

Expense	Estimated cost
Supervision and surveillance	\$0.353m
Enforcement	\$0.026m
Other regulatory activities	
<i>Industry engagement</i>	\$0.092m
<i>Education</i>	\$0.012m
<i>Guidance</i>	\$0.031m
<i>Policy advice</i>	\$0.105m
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.199m
<i>IT support</i>	\$0.196m
<i>Operations support</i>	\$0.172m
<i>Property and corporate services</i>	\$0.193m
Total operating expenditure	\$1.379m
Allowance for capital expenditure	\$0.116m
Less costs funded by own-source revenue	\$0.000m
Adjustment for prior year (under or over recovery)	\$0.000m
Total levy to recover costs	\$1.495m

Small futures exchange operators

- 18 ASIC’s cost of regulating the subsector in 2021–22 was \$110,272. The estimated cost of regulating the subsector for 2022–23 is \$86,155: see Table 6.

Table 6: Estimated costs to regulate small futures exchange operators

Expense	Estimated cost
Supervision and surveillance	\$0.023m
Enforcement	\$0.001m

Expense	Estimated cost
Other regulatory activities	
<i>Industry engagement</i>	\$0.007m
<i>Education</i>	\$0.001m
<i>Guidance</i>	\$0.003m
<i>Policy advice</i>	\$0.003m
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.010m
<i>IT support</i>	\$0.011m
<i>Operations support</i>	\$0.010m
<i>Property and corporate services</i>	\$0.011m
Total operating expenditure	\$0.080m
Allowance for capital expenditure	\$0.006m
Less costs funded by own-source revenue	\$0.000m
Adjustment for prior year (under or over recovery)	\$0.000m
Total levy to recover costs	\$0.086m

Small securities exchange operators

19 ASIC's cost of regulating the subsector in 2021–22 was \$573,969. The estimated cost of regulating the subsector for 2022–23 is \$738,840: see Table 7.

Table 7: Estimated costs to regulate small securities exchange operators

Expense	Estimated cost
Supervision and surveillance	\$0.162m
Enforcement	\$0.016m
Other regulatory activities	
<i>Industry engagement</i>	\$0.041m
<i>Education</i>	\$0.006m
<i>Guidance</i>	\$0.009m
<i>Policy advice</i>	\$0.064m

Expense	Estimated cost
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.101m
<i>IT support</i>	\$0.100m
<i>Operations support</i>	\$0.085m
<i>Property and corporate services</i>	\$0.096m
Total operating expenditure	\$0.679m
Allowance for capital expenditure	\$0.060m
Less costs funded by own-source revenue	\$0.000m
Adjustment for prior year (under or over recovery)	\$0.000m
Total levy to recover costs	\$0.739m

Small securities exchange operators with self-listing function only

20 ASIC's cost of regulating the subsector in 2021–22 was \$1,098. The estimated cost of regulating the subsector for 2022–23 is \$0: see Table 8.

Table 8: Estimated costs to regulate small securities exchange operators with self-listing function only

Expense	Estimated cost
Supervision and surveillance	\$0.000m
Enforcement	\$0.000m
Other regulatory activities	
<i>Industry engagement</i>	\$0.000m
<i>Education</i>	\$0.000m
<i>Guidance</i>	\$0.000m
<i>Policy advice</i>	\$0.000m
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.000m
<i>IT support</i>	\$0.000m
<i>Operations support</i>	\$0.000m
<i>Property and corporate services</i>	\$0.000m
Total operating expenditure	\$0.000m
Allowance for capital expenditure	\$0.000m
Less costs funded by own-source revenue	\$0.000m

Expense	Estimated cost
Adjustment for prior year (under or over recovery)	\$0.000m
Total levy to recover costs	\$0.000m

New specialised market operators

- 21 ASIC's cost of regulating the subsector in 2021–22 was \$7,028. The estimated cost of regulating the subsector for 2022–23 is \$11,181: see Table 9.

Table 9: Estimated costs to regulate new specialised market operators

Expense	Estimated cost
Supervision and surveillance	\$0.002m
Enforcement	\$0.000m
Other regulatory activities	
<i>Industry engagement</i>	\$0.001m
<i>Education</i>	\$0.000m
<i>Guidance</i>	\$0.000m
<i>Policy advice</i>	\$0.001m
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.002m
<i>IT support</i>	\$0.002m
<i>Operations support</i>	\$0.001m
<i>Property and corporate services</i>	\$0.001m
Total operating expenditure	\$0.010m
Allowance for capital expenditure	\$0.001m
Less costs funded by own-source revenue	\$0.000m
Adjustment for prior year (under or over recovery)	\$0.000m
Total levy to recover costs	\$0.011m

Established specialised market operators

- 22 ASIC's cost of regulating the subsector in 2021–22 was \$642,062. The estimated cost of regulating the subsector for 2022–23 is \$589,603: see Table 10.

Table 10: Estimated levies to recover costs to regulate established specialised market operators

Expense	Estimated cost
Supervision and surveillance	\$0.123m
Enforcement	\$0.010m
Other regulatory activities	
<i>Industry engagement</i>	\$0.029m
<i>Education</i>	\$0.005m
<i>Guidance</i>	\$0.004m
<i>Policy advice</i>	\$0.056m
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.085m
<i>IT support</i>	\$0.080m
<i>Operations support</i>	\$0.070m
<i>Property and corporate services</i>	\$0.079m
Total operating expenditure	\$0.541m
Allowance for capital expenditure	\$0.049m
Less costs funded by own-source revenue	\$0.000m
Adjustment for prior year (under or over recovery)	\$0.000m
Total levy to recover costs	\$0.590m

Overseas market operators

23 ASIC's cost of regulating the subsector in 2021–22 was \$287,556. The estimated cost of regulating the subsector for 2022–23 is \$312,049: see Table 11.

Table 11: Estimated levies to recover costs to regulate overseas market operators

Expense	Estimated cost
Supervision and surveillance	\$0.065m
Enforcement	\$0.005m

Expense	Estimated cost
Other regulatory activities	
<i>Industry engagement</i>	\$0.015m
<i>Education</i>	\$0.003m
<i>Guidance</i>	\$0.002m
<i>Policy advice</i>	\$0.030m
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.045m
<i>IT support</i>	\$0.042m
<i>Operations support</i>	\$0.037m
<i>Property and corporate services</i>	\$0.042m
Total operating expenditure	\$0.286m
Allowance for capital expenditure	\$0.026m
Less costs funded by own-source revenue	\$0.000m
Adjustment for prior year (under or over recovery)	\$0.000m
Total levy to recover costs	\$0.312m

CS facility operators

Tier 1 CS facility operators

24 ASIC's cost of regulating the subsector in 2021–22 was \$1.7 million. The estimated cost of regulating the subsector for 2022–23 is \$2.9 million: see Table 12.

Table 12: Estimated costs to regulate Tier 1 CS facility operators

Expense	Estimated cost
Supervision and surveillance	\$0.617m
Enforcement	\$0.047m
Other regulatory activities	
<i>Industry engagement</i>	\$0.157m
<i>Education</i>	\$0.024m
<i>Guidance</i>	\$0.020m
<i>Policy advice</i>	\$0.275m

Expense	Estimated cost
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.408m
<i>IT support</i>	\$0.383m
<i>Operations support</i>	\$0.344m
<i>Property and corporate services</i>	\$0.382m
Total operating expenditure	\$2.658m
Allowance for capital expenditure	\$0.236m
Less costs funded by own-source revenue	\$0.000m
Adjustment for prior year (under or over recovery)	\$0.000m
Total levy to recover costs	\$2.894m

Tier 2 CS facility operators

25 ASIC's cost of regulating the subsector in 2021–22 was \$117,071. The estimated cost of regulating the subsector for 2022–23 is \$100,153: see Table 13.

Table 13: Estimated costs to regulate Tier 2 CS facility operators

Expense	Estimated cost
Supervision and surveillance	\$0.021m
Enforcement	\$0.002m
Other regulatory activities	
<i>Industry engagement</i>	\$0.005m
<i>Education</i>	\$0.001m
<i>Guidance</i>	\$0.001m
<i>Policy advice</i>	\$0.010m
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.014m
<i>IT support</i>	\$0.014m
<i>Operations support</i>	\$0.012m
<i>Property and corporate services</i>	\$0.013m
Total operating expenditure	\$0.092m
Allowance for capital expenditure	\$0.008m
Less costs funded by own-source revenue	\$0.000m

Expense	Estimated cost
Adjustment for prior year (under or over recovery)	\$0.000m
Total levy to recover costs	\$0.100m

Tier 3 CS facility operators

26 ASIC's cost of regulating the subsector in 2021–22 was \$11,341. The estimated cost of regulating the subsector for 2022–23 is \$17,589: see Table 14.

Table 14: Estimated costs to regulate Tier 3 CS facility operators

Expense	Estimated cost
Supervision and surveillance	\$0.004m
Enforcement	\$0.000m
Other regulatory activities	
<i>Industry engagement</i>	\$0.001m
<i>Education</i>	\$0.000m
<i>Guidance</i>	\$0.000m
<i>Policy advice</i>	\$0.002m
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.003m
<i>IT support</i>	\$0.002m
<i>Operations support</i>	\$0.002m
<i>Property and corporate services</i>	\$0.002m
Total operating expenditure	\$0.016m
Allowance for capital expenditure	\$0.001m
Less costs funded by own-source revenue	\$0.000m
Adjustment for prior year (under or over recovery)	\$0.000m
Total levy to recover costs	\$0.018m

Tier 4 CS facility operators

27 ASIC's cost of regulating the subsector in 2021–22 was \$1,067. The estimated cost of regulating the subsector for 2022–23 is \$0: see Table 15.

Table 15: Estimated costs to regulate Tier 4 CS facility operators

Expense	Estimated cost
Supervision and surveillance	\$0.000m
Enforcement	\$0.000m
Other regulatory activities	
<i>Industry engagement</i>	\$0.000m
<i>Education</i>	\$0.000m
<i>Guidance</i>	\$0.000m
<i>Policy advice</i>	\$0.000m
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.000m
<i>IT support</i>	\$0.000m
<i>Operations support</i>	\$0.000m
<i>Property and corporate services</i>	\$0.000m
Total operating expenditure	\$0.000m
Allowance for capital expenditure	\$0.000m
Less costs funded by own-source revenue	\$0.000m
Adjustment for prior year (under or over recovery)	\$0.000m
Total levy to recover costs	\$0.000m

Exempt CS facility operators

28 ASIC's cost of regulating the subsector in 2021–22 was \$10,782. The estimated cost of regulating the subsector for 2022–23 is \$10,063: see Table 16.

Table 16: Estimated costs to regulate exempt CS facility operators

Expense	Estimated cost
Supervision and surveillance	\$0.002m
Enforcement	\$0.000m
Other regulatory activities	
<i>Industry engagement</i>	\$0.001m
<i>Education</i>	\$0.000m
<i>Guidance</i>	\$0.000m
<i>Policy advice</i>	\$0.001m

Expense	Estimated cost
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.001m
<i>IT support</i>	\$0.001m
<i>Operations support</i>	\$0.001m
<i>Property and corporate services</i>	\$0.001m
Total operating expenditure	\$0.009m
Allowance for capital expenditure	\$0.001m
Less costs funded by own-source revenue	\$0.000m
Adjustment for prior year (under or over recovery)	\$0.000m
Total levy to recover costs	\$0.010m

Australian derivative trade repository operators

29 ASIC's cost of regulating the subsector in 2021–22 was \$130,433. The estimated cost of regulating the subsector for 2022–23 is \$167,239: see Table 17.

Table 17: Estimated costs to regulate Australian derivative trade repository operators

Expense	Estimated cost
Supervision and surveillance	\$0.035m
Enforcement	\$0.003m
Other regulatory activities	
<i>Industry engagement</i>	\$0.008m
<i>Education</i>	\$0.001m
<i>Guidance</i>	\$0.001m
<i>Policy advice</i>	\$0.016m
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.024m
<i>IT support</i>	\$0.023m
<i>Operations support</i>	\$0.020m
<i>Property and corporate services</i>	\$0.022m
Total operating expenditure	\$0.153m
Allowance for capital expenditure	\$0.014m

Expense	Estimated cost
Less costs funded by own-source revenue	\$0.000m
Adjustment for prior year (under or over recovery)	\$0.000m
Total levy to recover costs	\$0.167m

Exempt market operators

30 ASIC's cost of regulating the subsector in 2021–22 was \$87,437. The estimated cost of regulating the subsector for 2022–23 is \$8,235: see Table 18.

Table 18: Estimated costs to regulate exempt market operators

Expense	Estimated cost
Supervision and surveillance	\$0.002m
Enforcement	\$0.000m
Other regulatory activities	
<i>Industry engagement</i>	\$0.000m
<i>Education</i>	\$0.000m
<i>Guidance</i>	\$0.000m
<i>Policy advice</i>	\$0.001m
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.001m
<i>IT support</i>	\$0.001m
<i>Operations support</i>	\$0.001m
<i>Property and corporate services</i>	\$0.001m
Total operating expenditure	\$0.008m
Allowance for capital expenditure	\$0.001m
Less costs funded by own-source revenue	\$0.000m
Adjustment for prior year (under or over recovery)	\$0.000m
Total levy to recover costs	\$0.008m

Credit rating agencies

31 ASIC's cost of regulating the subsector in 2021–22 was \$123,285. The estimated cost of regulating the subsector for 2022–23 is \$189,093: see Table 19.

Table 19: Estimated costs to regulate credit rating agencies

Expense	Estimated cost
Supervision and surveillance	\$0.046m
Enforcement	\$0.005m
Other regulatory activities	
<i>Industry engagement</i>	\$0.013m
<i>Education</i>	\$0.002m
<i>Guidance</i>	\$0.005m
<i>Policy advice</i>	\$0.012m
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.024m
<i>IT support</i>	\$0.025m
<i>Operations support</i>	\$0.020m
<i>Property and corporate services</i>	\$0.024m
Total operating expenditure	\$0.175m
Allowance for capital expenditure	\$0.014m
Less costs funded by own-source revenue	\$0.000m
Adjustment for prior year (under or over recovery)	\$0.000m
Total levy to recover costs	\$0.189m

Benchmark administrator licensees

32 ASIC's cost of regulating the subsector in 2021–22 was \$220,094. The estimated cost of regulating the subsector for 2022–23 is \$239,245: see Table 20.

Table 20: Estimated costs to regulate benchmark administrator licensees

Expense	Estimated cost
Supervision and surveillance	\$0.058m
Enforcement	\$0.006m

Expense	Estimated cost
Other regulatory activities	
<i>Industry engagement</i>	\$0.016m
<i>Education</i>	\$0.002m
<i>Guidance</i>	\$0.006m
<i>Policy advice</i>	\$0.016m
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.030m
<i>IT support</i>	\$0.032m
<i>Operations support</i>	\$0.026m
<i>Property and corporate services</i>	\$0.030m
Total operating expenditure	\$0.221m
Allowance for capital expenditure	\$0.018m
Less costs funded by own-source revenue	\$0.000m
Adjustment for prior year (under or over recovery)	\$0.000m
Total levy to recover costs	\$0.239m

Market intermediaries

Market participants

Large securities exchange participants

33 ASIC's cost of regulating the subsector in 2021-22 was \$20.8 million. The estimated cost of regulating the subsector for 2022–23 is \$18.0 million: see Table 21.

Table 21: Estimated costs to regulate large securities exchange participants

Expense	Estimated cost
Supervision and surveillance	\$3.050m
Enforcement	\$4.055m
Other regulatory activities	
<i>Industry engagement</i>	\$0.896m
<i>Education</i>	\$0.126m
<i>Guidance</i>	\$0.505m
<i>Policy advice</i>	\$0.160m

Expense	Estimated cost
Indirect costs	
<i>Governance, central strategy and legal</i>	\$2.162m
<i>IT support</i>	\$1.908m
<i>Operations support</i>	\$1.789m
<i>Property and corporate services</i>	\$2.120m
Total operating expenditure	\$16.770m
Allowance for capital expenditure	\$1.248m
Less costs funded by own-source revenue	\$0.000m
Adjustment for prior year (under or over recovery)	\$0.000m
Total levy to recover costs	\$18.018m

Large futures exchange participants

34 ASIC's cost of regulating the subsector in 2021–22 was \$4.6 million. The estimated cost of regulating the subsector for 2022–23 is \$7.1 million: see Table 22.

Table 22: Estimated costs to regulate large futures exchange participants

Expense	Estimated cost
Supervision and surveillance	\$0.788m
Enforcement	\$3.059m
Other regulatory activities	
<i>Industry engagement</i>	\$0.236m
<i>Education</i>	\$0.038m
<i>Guidance</i>	\$0.139m
<i>Policy advice</i>	\$0.034m
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.668m
<i>IT support</i>	\$0.568m
<i>Operations support</i>	\$0.534m
<i>Property and corporate services</i>	\$0.642m
Total operating expenditure	\$6.705m
Allowance for capital expenditure	\$0.380m

Expense	Estimated cost
Less costs funded by own-source revenue	\$0.000m
Adjustment for prior year (under or over recovery)	\$0.000m
Total levy to recover costs	\$7.085m

Securities dealers

35 ASIC's cost of regulating the subsector in 2021–22 was \$4.4 million. The estimated cost of regulating the subsector for 2022–23 is \$3.1 million: see Table 23.

Table 23: Estimated costs to regulate securities dealers

Expense	Estimated cost
Supervision and surveillance	\$0.581m
Enforcement	\$1.058m
Other regulatory activities	
<i>Industry engagement</i>	\$0.175m
<i>Education</i>	\$0.017m
<i>Guidance</i>	\$0.103m
<i>Policy advice</i>	\$0.026m
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.257m
<i>IT support</i>	\$0.264m
<i>Operations support</i>	\$0.236m
<i>Property and corporate services</i>	\$0.271m
Total operating expenditure	\$2.987m
Allowance for capital expenditure	\$0.155m
Less costs funded by own-source revenue	\$0.000m
Adjustment for prior year (under or over recovery)	\$0.001m
Total levy to recover costs	\$3.142m

Corporate advisers and OTC traders

Corporate advisers

36 ASIC’s cost of regulating the subsector in 2021–22 was \$1.9 million. The estimated cost of regulating the subsector for 2022–23 is \$2.9 million: see Table 24.

Table 24: Estimated costs to regulate corporate advisers

Expense	Estimated cost
Supervision and surveillance	\$0.337m
Enforcement	\$0.912m
Other regulatory activities	
<i>Industry engagement</i>	\$0.102m
<i>Education</i>	\$0.019m
<i>Guidance</i>	\$0.052m
<i>Policy advice</i>	\$0.037m
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.341m
<i>IT support</i>	\$0.286m
<i>Operations support</i>	\$0.263m
<i>Property and corporate services</i>	\$0.324m
Total operating expenditure	\$2.673m
Allowance for capital expenditure	\$0.197m
Less costs funded by own-source revenue	\$0.000m
Adjustment for prior year (under or over recovery)	\$0.001m
Total levy to recover costs	\$2.871m

OTC traders

37 ASIC’s cost of regulating the subsector in 2021–22 was \$15.9 million. The estimated cost of regulating the subsector for 2022–23 is \$13.6 million: see Table 25.

Table 25: Estimated costs to regulate OTC traders

Expense	Estimated cost
Supervision and surveillance	\$2.926m
Enforcement	\$2.706m
Other regulatory activities	
<i>Industry engagement</i>	\$0.592m
<i>Education</i>	\$0.075m
<i>Guidance</i>	\$0.319m
<i>Policy advice</i>	\$0.190m
Indirect costs	
<i>Governance, central strategy and legal</i>	\$1.279m
<i>IT support</i>	\$1.320m
<i>Operations support</i>	\$1.180m
<i>Property and corporate services</i>	\$1.337m
Total operating expenditure	\$11.924m
Allowance for capital expenditure	\$1.609m
Less costs funded by own-source revenue	\$0.000m
Adjustment for prior year (under or over recovery)	\$0.044m
Total levy to recover costs	\$13.578m

Retail OTC derivatives issuers

38 ASIC's cost of regulating the subsector in 2021–22 was \$10.5 million. The estimated cost of regulating the subsector for 2022–23 is \$9.5 million: see Table 26.

Table 26: Estimated costs to regulate retail OTC derivative issuers

Expense	Estimated cost
Supervision and surveillance	\$1.079m
Enforcement	\$4.757m
Other regulatory activities	
<i>Industry engagement</i>	\$0.318m
<i>Education</i>	\$0.044m
<i>Guidance</i>	\$0.178m
<i>Policy advice</i>	\$0.083m

Expense	Estimated cost
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.767m
<i>IT support</i>	\$0.682m
<i>Operations support</i>	\$0.633m
<i>Property and corporate services</i>	\$0.747m
Total operating expenditure	\$9.287m
Allowance for capital expenditure	\$0.440m
Less costs funded by own-source revenue	(\$0.183m)
Adjustment for prior year (under or over recovery)	\$0.000m
Total levy to recover costs	\$9.545m

Wholesale electricity dealers

39 ASIC's cost of regulating the subsector in 2021–22 was \$72,039. The estimated cost of regulating the subsector for 2022–23 is \$95,276: see Table 27.

Table 27: Estimated costs to regulate wholesale electricity dealers

Expense	Estimated cost
Supervision and surveillance	\$0.028m
Enforcement	\$0.002m
Other regulatory activities	
<i>Industry engagement</i>	\$0.008m
<i>Education</i>	\$0.001m
<i>Guidance</i>	\$0.004m
<i>Policy advice</i>	\$0.004m
Indirect costs	
<i>Governance, central strategy and legal</i>	\$0.013m
<i>IT support</i>	\$0.013m
<i>Operations support</i>	\$0.012m
<i>Property and corporate services</i>	\$0.013m
Total operating expenditure	\$0.098m
Allowance for capital expenditure	\$0.008m
Less costs funded by own-source revenue	\$0.000m

Expense	Estimated cost
Adjustment for prior year (under or over recovery)	(\$0.010m)
Total levy to recover costs	\$0.095m