



2018-19 ASIC Business Plan Summary by Sector Insolvency Practitioners

Key projects	Project Status	Focus
Change behaviours to drive good consumer and investor outcomes		
<p>ASIC will focus on changing behaviour in relation to transparency in the insolvency sector through education, communication and engagement. Specifically, we will enhance:</p> <ul style="list-style-type: none"> the communication of registered liquidators and professional bodies with creditors and the wider market, and market awareness of ASIC procedures relating to registered liquidators and corporate insolvency processes 		
Foster a better-informed insolvency sector and stakeholders	Ongoing	<ul style="list-style-type: none"> Engaging with registered liquidators to improve their understanding of standards and expectations Assist registered liquidators to provide better quality, appropriate communication to improve creditor engagement
Promote improved industry conduct through enhanced guidance and engagement	Continuing project from 2016-17	<ul style="list-style-type: none"> Contributing to the revision and reissue of <i>Regulatory Guide 16 External administrators – Reporting and lodging (RG 16)</i> Delivering a revised and enhanced <i>Form EX01 – Schedule B of RG 16 Report to ASIC under s422, s438D or s533 of the Corporations Act 2001</i> Delivering a revised and enhanced <i>Form 507 – Report as to Affairs (now ROCAP – Report on Company Activities and Property)</i>
Assetless Administration Fund (AA Fund)	New project	Engaging with industry to improve outcomes from AA Fund applications, including by communicating best practice through workshops
Reviewing liquidators panel	New project	<ul style="list-style-type: none"> Implementing a panel of reviewing liquidators funded through the AA Fund (which ASIC administers) to target facilitation of illegal phoenix behaviour by registered liquidators, directors and pre-insolvency advisors. Appointing reviewing liquidators and approving assetless administration funding where illegal phoenix behaviour is suspected.



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Handling of external administration funds	New project	Consulting with industry to understand the level of protection for funds held to minimise harms from misappropriation
Annual reporting regime	Ongoing	ASIC will report annually on the profile and size of corporate insolvency in Australia including: registered liquidator supervision, insolvency statistics, and deeds of company arrangement entered into and finalised
Support Government law reforms and initiatives addressing illegal phoenix activity	Continuing project from 2017–18	<ul style="list-style-type: none"> ◆ Contributing to the development of Government law reform to combat Illegal Phoenix Activity and Behaviour (IPA) ◆ Submissions to Government inquiries involving IPA ◆ Engage with government bodies that regulate small business to address IPA ◆ Participate in inter-government agency Phoenix Taskforce
Act against misconduct to maintain trust and integrity in the financial system		
ASIC will focus on holding gatekeepers to account , including using the Assetless Administration Fund, and achieving timely, effective and appropriate enforcement outcomes.		
Registered liquidators' independence and remuneration	Continuing project from 2016–17	<ul style="list-style-type: none"> ◆ Identifying independence issues by reviewing information in the mandatory declaration of independence, relevant relationships and indemnities forms lodged by registered liquidators ◆ Identifying remuneration issues by reviewing the way work is charged and disclosed, including encouraging improved industry guidance
Serious Financial Crime Taskforce	Ongoing	Use data analytics and harms-based methodology to identify matters for referral to the Serious Financial Crime Taskforce
Surveillance	Ongoing	Conduct both onsite and offsite reviews with a focus on disrupting the most harmful activity using ASIC's powers including, issuing notices and directions, appointing reviewing liquidators or initiating enforcement action
Creditors' meeting attendance pilot	New project	Undertake a pilot program attending creditors' meetings to better understand how registered liquidators conduct meetings and account to creditors



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Annual return reviews	Ongoing	Conduct reviews of registered liquidators' annual returns to detect, understand and respond to competence concerns
Promote strong and innovative development of the financial system		
ASIC will ensure the strong and innovative development of the insolvency sector by focussing on governance . Specifically, we will focus on:		
<ul style="list-style-type: none">♦ monitoring the effectiveness of changes under the <i>Insolvency Law Reform Act 2016</i> and the insolvency safe harbour and ipso facto clause law reforms that impact registered liquidators and the insolvency sector generally,♦ leading submissions regarding work following future law reform proposals, and♦ working with professional bodies to enhance codes of professional practice relevant to registered liquidator population.		
Insolvency Law Reform	Ongoing	<ul style="list-style-type: none">♦ Ongoing review of relevant sections of the Corporations Act as it relates to insolvency practice♦ Liaise with industry, professional bodies and other Government agencies regarding the effectiveness of law changes♦ Ongoing development of systems and procedures to accommodate the legislative and regulatory changes
Safe Harbour	Ongoing	<ul style="list-style-type: none">♦ Contribute to the revision and reissue of 'RG 217 <i>Duty to prevent insolvent trading: Guide for directors</i>' to incorporate the new 'safe harbour' law♦ Engage with stakeholders about how safe harbour reforms are being applied in practice♦ Consider market feedback on 'pre-pack insolvencies' considering safe harbour implementation
Help Australians to be in control of their financial lives		
MoneySmart Website*	Ongoing	Update and maintain the MoneySmart website to enable Australian Consumers to access up-to-date information on a broad range of topics including, company director fraud and protecting your investments. The website includes introductory information, links to further information, online calculators and other resources