



2018-19 ASIC Business Plan Summary by Sector Market Infrastructure

Key projects	Project Status	Focus
Change behaviours to drive good consumer and investor outcomes		
Corporate governance*	New project	Review corporate governance practices in large listed companies with a focus on the role of directors and officers, executive remuneration practices, and the adequacy of corporate governance standards.
Licensing significant benchmark administrators	New project	Licensing key Australian benchmark administrators, such as the ASX in relation to its administration of the bank bill swap rate (BBSW), following changes to the law in 2017–18
Financial market licensing regime	Continuing 2015-16 project	Transitioning over 20 professional financial market platforms (that were exempt from holding an Australian market licence) to the revised regime
Exchange Traded Products and Listed Funds	New project	<ul style="list-style-type: none"> ◆ Targeted surveillance of new exchange traded products and a sample of listed fund initial public offerings. ◆ Engage with Market Operators and exchange traded fund issuers and monitor international policy developments to ensure the market continues to develop and creates good outcomes for investors and market integrity.
Act against misconduct to maintain trust and integrity in the financial system		
Reviews of market effectiveness	New project (follow up to projects from previous years)	<ul style="list-style-type: none"> ◆ Reviewing the effectiveness of existing market settings, including for dark liquidity and high frequency trading in equities and futures markets, reviewing market cleanliness of foreign currency markets, and monitoring OTC derivatives trade repository data ◆ Consider existing market structure settings for the small cap market and market making structures for managed funds



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Providers of market infrastructure in Australia's financial markets	Ongoing	Supervising market infrastructure providers' compliance with their obligations, including their management of conflicts of interest and financial risk. This covers providers in equities, futures and OTC markets (such as foreign exchange (FX) and fixed income) and includes market operators, clearing and settlement facility providers, trade repositories, credit rating agencies, and benchmark administrators
Promote strong and innovative development of the financial system		
Technology standards	New project	Developing market integrity rules for market operators' technology governance and operational risk management
Share registries	New project	Assessing proposals in relation to the operation of share registries –including off-market transfer activities and governance and risk management controls – and setting standards
Complex exchange-traded products	Continuing 2017-18 project	Assessing ASX's quoted funds and structured products market, including admission standards, governance and strategy
ASX CHES replacement	Continuing 2016-17 project	Monitoring the implementation of the CHES replacement, in conjunction with the ACCC and RBA
Competition in equities clearing and settlement	Continuing 2015-16 project	Implementing legislative reforms and ASIC rules to support safe and effective competition outcomes
Cyber resilience and technology controls	Continuing 2015-16 project	<ul style="list-style-type: none"> ◆ Publishing a report on our monitoring and assessment of the technological resilience of market entities, and engaging with market entities to recommend improvements to their controls ◆ Continued work to increase awareness of and report on the cyber resilience of all entities operating in Australia's financial markets.



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Substituted compliance from foreign regulators	Ongoing	<ul style="list-style-type: none"> Enabling Australia’s market infrastructure providers – including operators of financial markets, clearing and settlement facilities, trade repositories and benchmark administrators – to obtain and maintain substituted compliance recognition from foreign regulators. This enables providers to use their Australian authorisation to offer services to the international market Obtaining equivalence from the European Union on Australia’s regime for financial benchmark administrators
Technology risk management practices*	Ongoing	<ul style="list-style-type: none"> Reviewing the adequacy of market intermediary technology governance, operational risk management arrangements and outsourcing arrangements.
Crypto currencies*	New project	<ul style="list-style-type: none"> Developing our approach to potential regulation of crypto exchanges Monitoring emerging products, such as ICOs, and intervening where there is poor behaviour and potential harm to consumers and investors Enforcement activities, where appropriate.
Over-the-counter (OTC) markets	Ongoing	Continued improvement of OTC derivatives trade reporting data in relation to snapshot/lifestyle reporting, omnibus rule change package and relief instruments to facilitate oversight of OTC markets.
Mandatory obligations for OTC derivatives	New project	Consider if mandatory platform trading obligations should apply to any class of standardised OTC derivatives as has been done in other jurisdictions.
Credit rating agencies	New project	Align Australian standards for credit rating agencies with the international standards to obtain recognition from the European Union
ASX AQUA market	Ongoing	Review the admission, governance and strategy of the ASX AQUA market (the market for quoted funds and structured products)

Help Australians to be in control of their financial lives

Market compensation arrangements	New project	Review market compensation schemes and arrangements, including the national guarantee fund, to ensure its fitness for purpose
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