



**ASIC**  
Australian Securities &  
Investments Commission

# ASIC Licensing Liaison Webinar

Diana Steicke – *A/Executive Director,*  
*Assessment & Intelligence*

3 December 2020



# Agenda

1. Introduction & Acknowledgement of Country – Diana Steicke
2. Opening remarks – Diana Steicke
3. Update from Warren Day
4. Service charter and ASIC's performance – Peng Lee
5. Legislative and other reforms – Nicholas Vonarx and Gerard Mithen
6. Q & A – facilitated by Peng Lee and Diana Steicke



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# Opening remarks

Diana Steicke  
A/Executive Director, Assessment &  
Intelligence





# Opening remarks

- The licensing process
- Keeping our regulatory guidance up-to-date
- INFO 240 and INFO 244
- COVID-19
- Any questions will be discussed at the end of our session – please email questions to [ASICLicensingLiasion@asic.gov.au](mailto:ASICLicensingLiasion@asic.gov.au)



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# ASIC update

Warren Day  
Chief Operating Officer





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# Service charter and ASIC's performance

Peng Lee  
Senior Executive Leader, Licensing

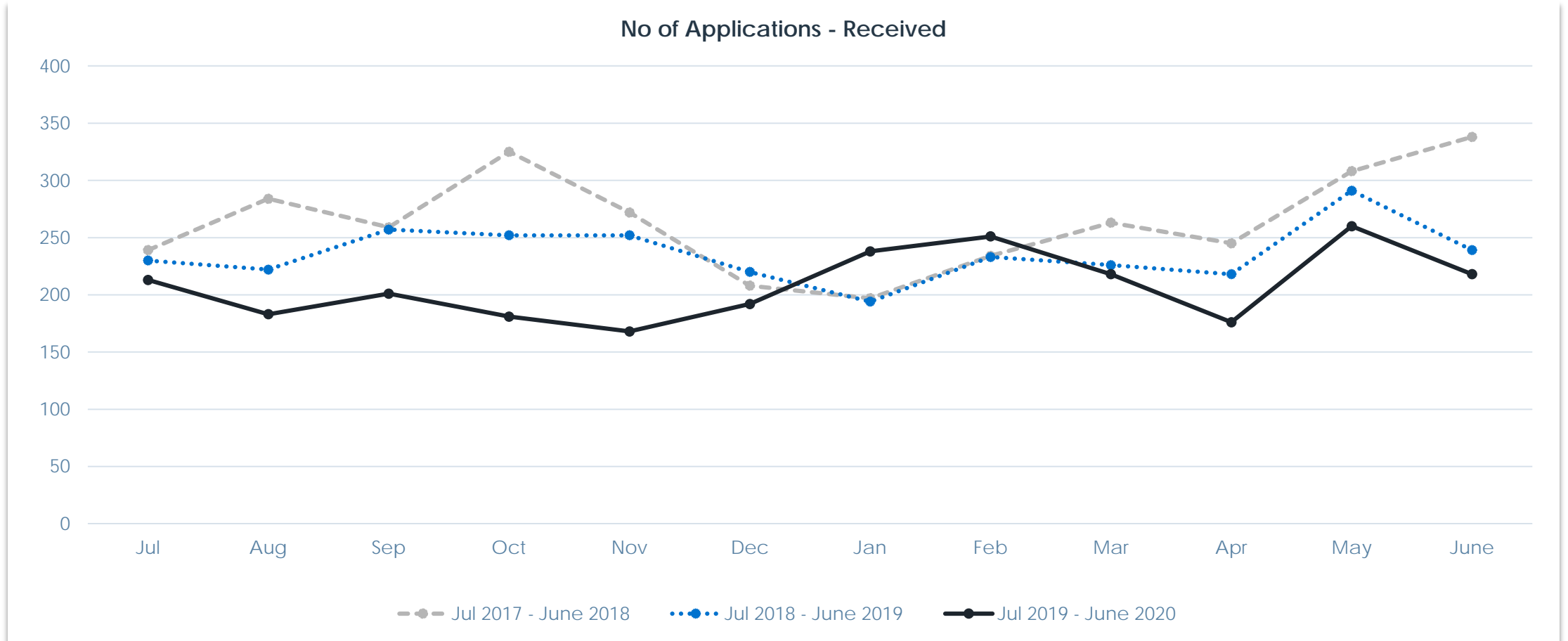




# Licensing data

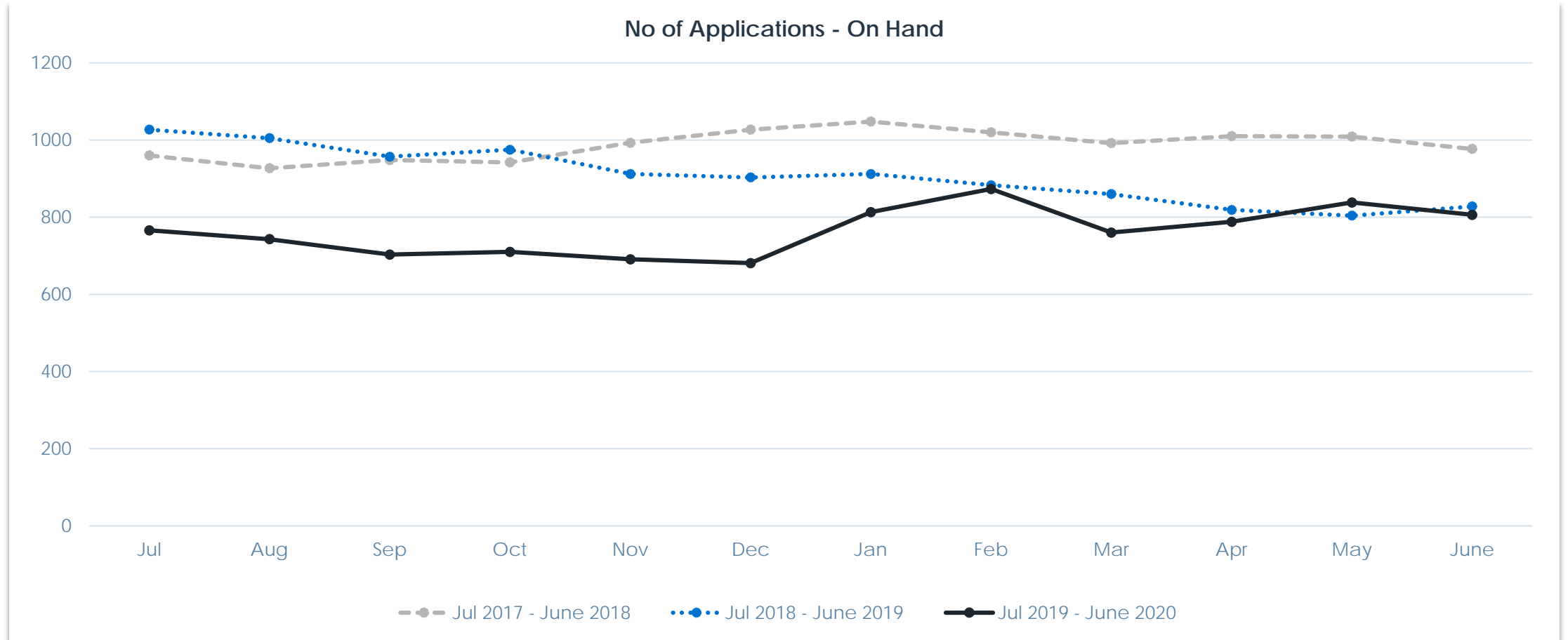
- Licensee and auditor applications - 3 year trend line for received (graph 1) and on-hand (graph 2)
- 2019-20 pie chart of AFSL, ACL, Auditor activities (graph 3)
- 13 month trend line comparing volumes received, on-hand, finalised and KEIs for:
  - AFSL (graph 4)
  - ACL (graph 5)
  - Company Auditors (graph 6)
  - SMSF Auditors (graph 7)
- AFSL and ACL 150 day KEI performance over last two financial years (graph 8)
- Performance at 25%, 50%, 70% and 90% YTD FY17/18 vs YTD FY18/19:
  - AFSL (graph 9)
  - ACL (graph 10)
- Number of AFSL applications (new and variation) received over last two financial years (graph 11)
- Sample of new AFSL applications - same authorisation types:
  - Days to approval (graph 12)

# AFS, ACL & Auditor applications received: 3 years



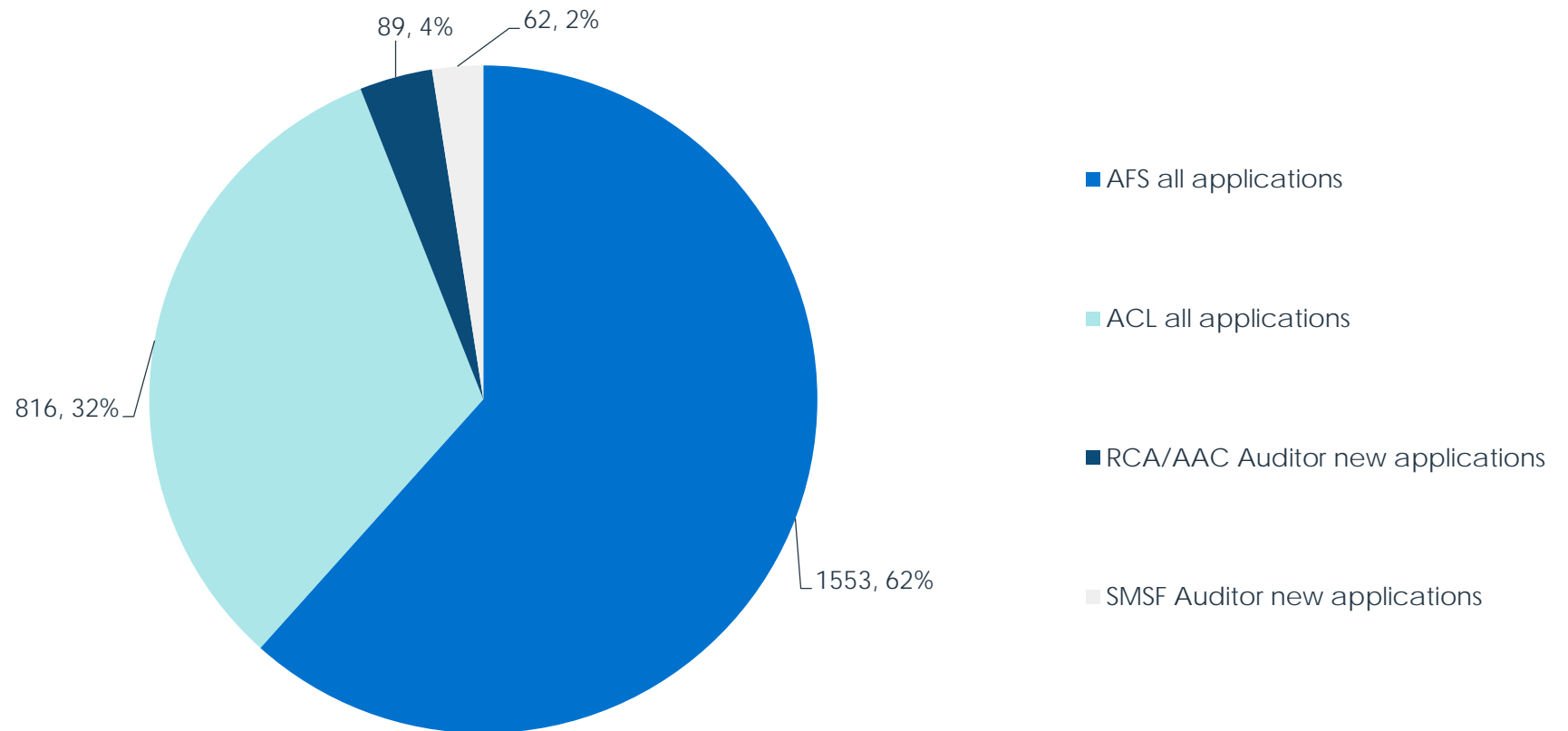


# AFS, ACL & Auditor applications on-hand: 3 years

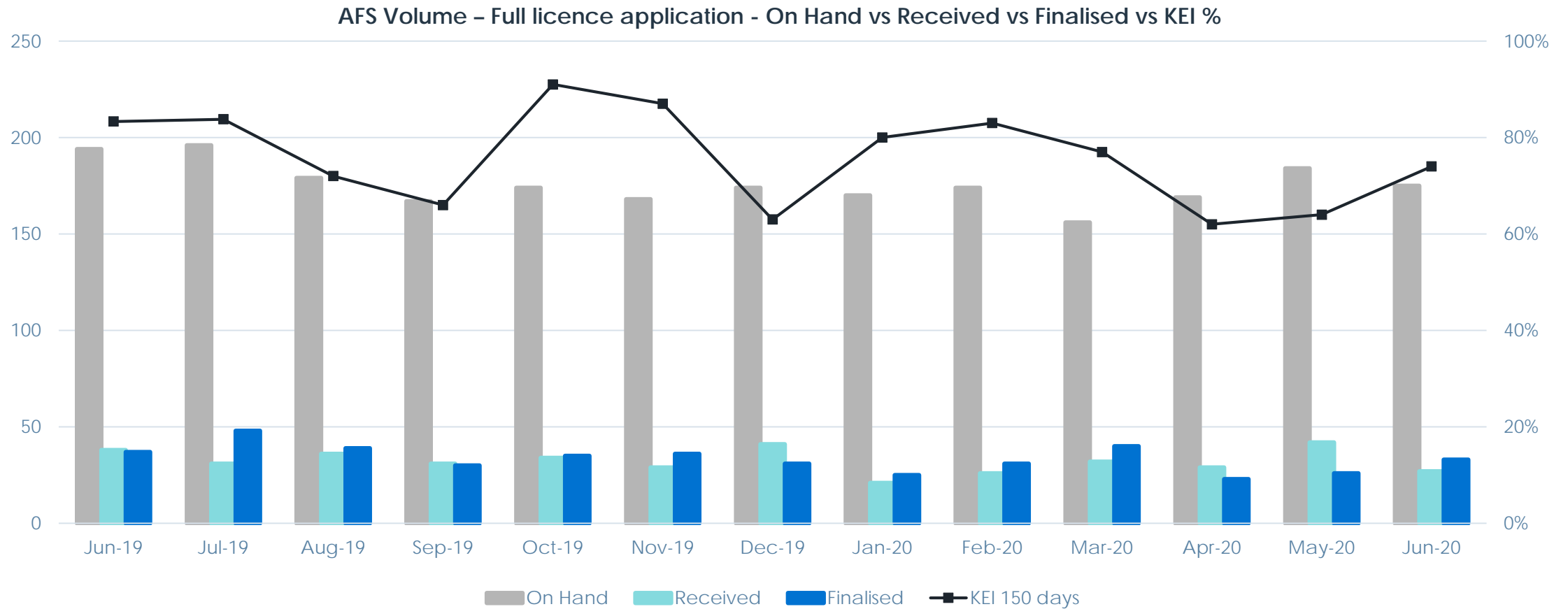


# Snap shot: 19/20 volumes

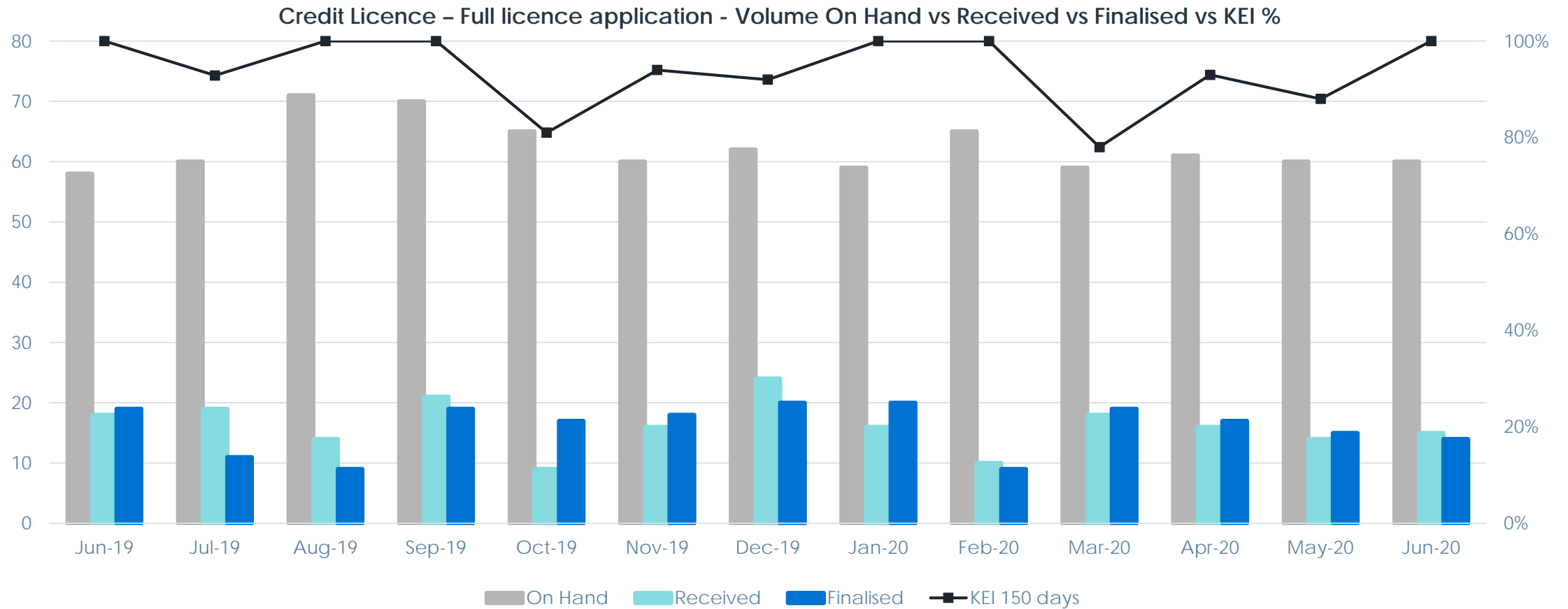
Volume received in period by Category



# AFSL: June 19 to June 20 trend

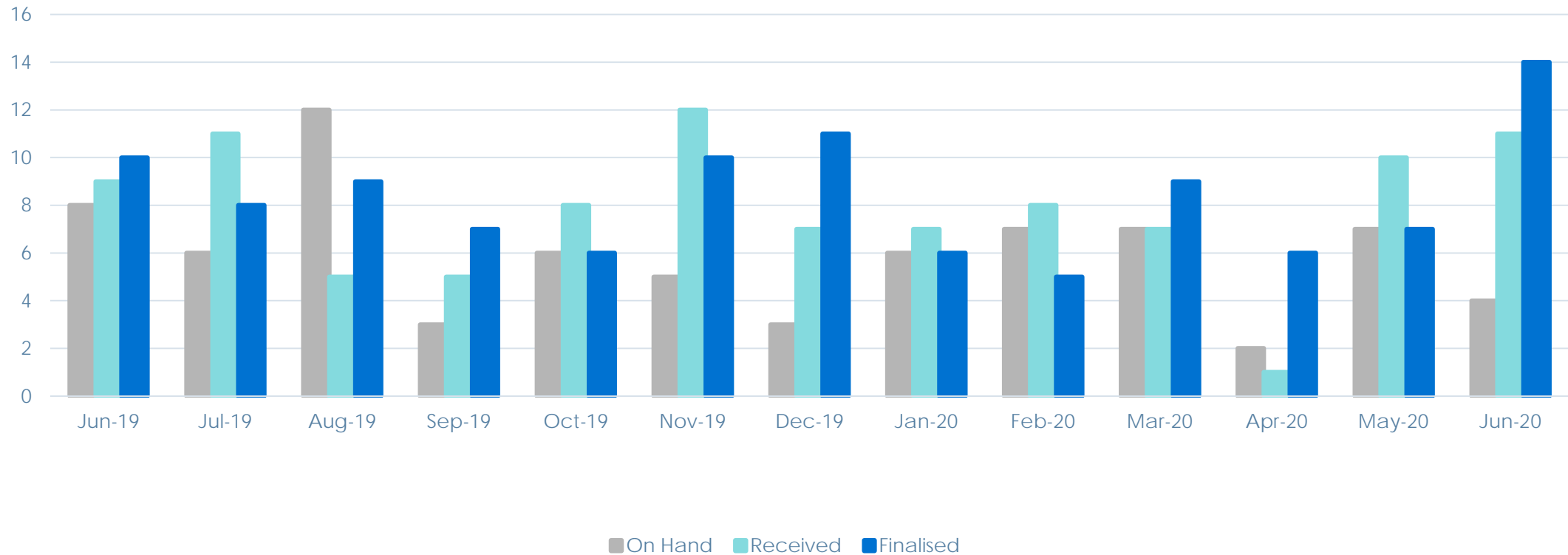


# ACL: June 19 to June 20 trend

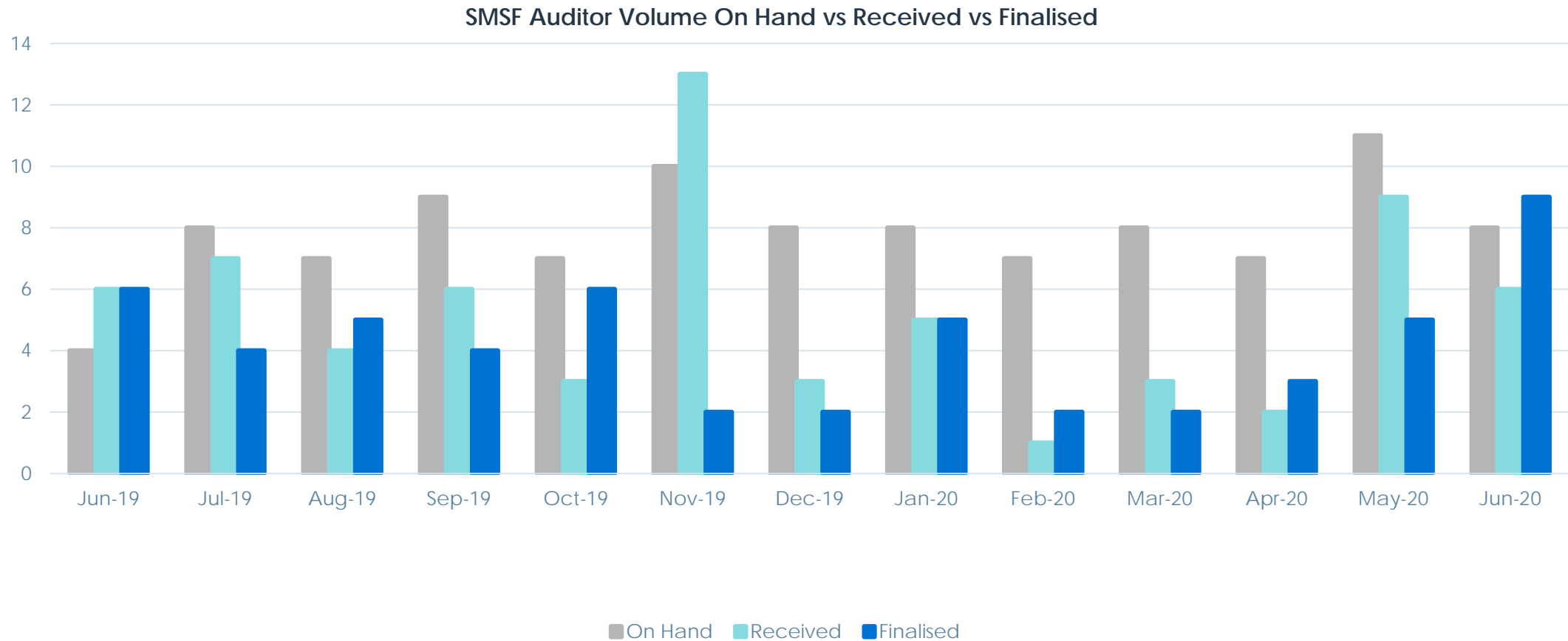


# Company Auditors: June 19 to June 20 trend

Auditor (Authorised Audit Company & Registered Company Auditor)  
On Hand vs Received vs Finalised



# SMSF Auditors: June 19 to June 20 trend



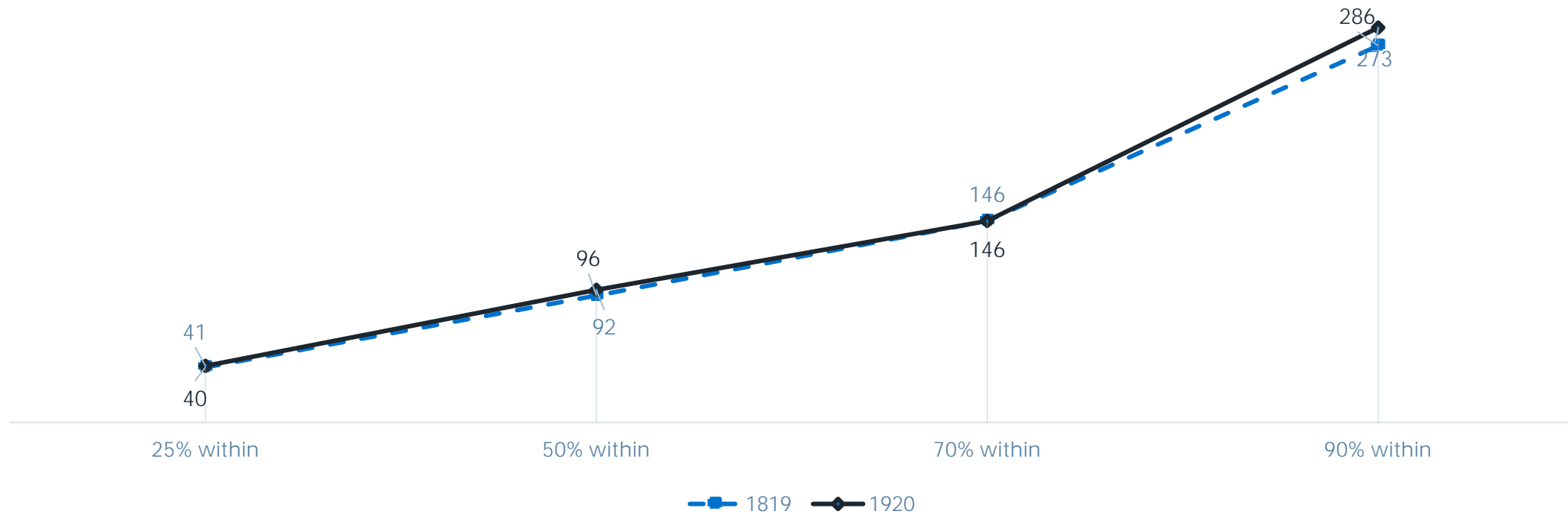


## Performance: % of AFSL and ACL within 150 days

Key indicator	2018-19	2019-20
Applying for a new AFS licence	73%	76%
Applying for a varied AFS licence	80%	76%
Applying for a new credit licence	92%	96%
Applying for a varied credit licence	96%	96%

# AFSL performance: days taken to reach % decisions

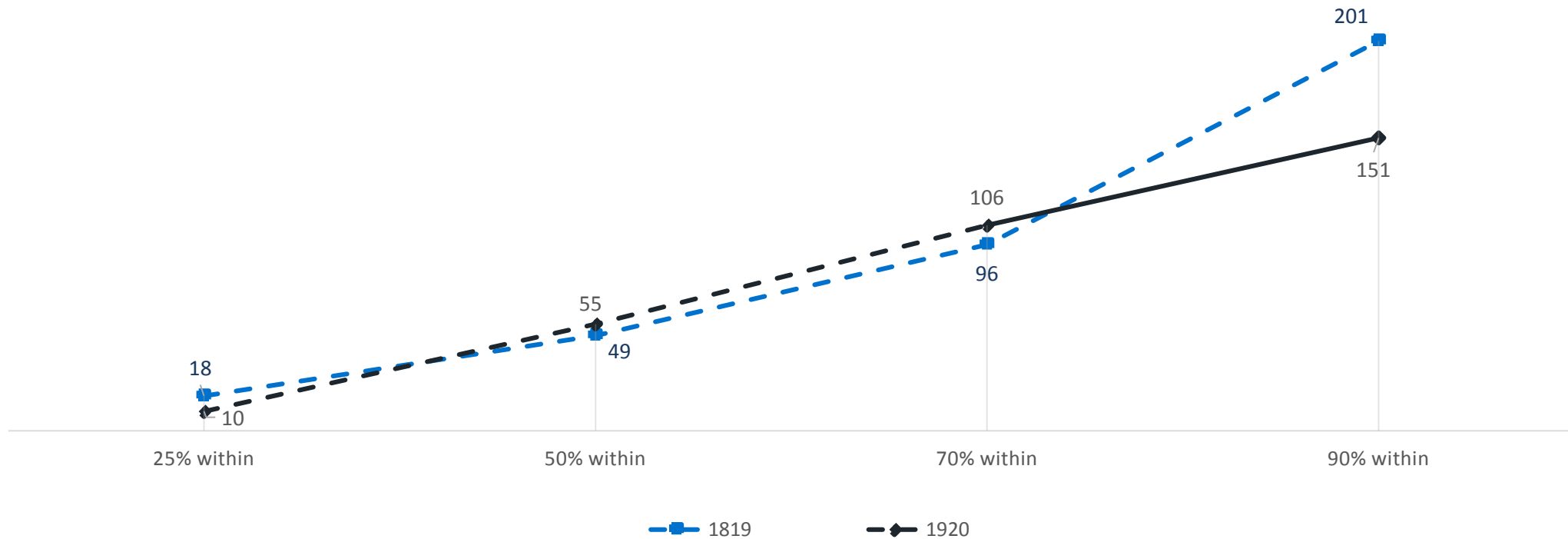
AFSL - FY 1920 vs FY 1819





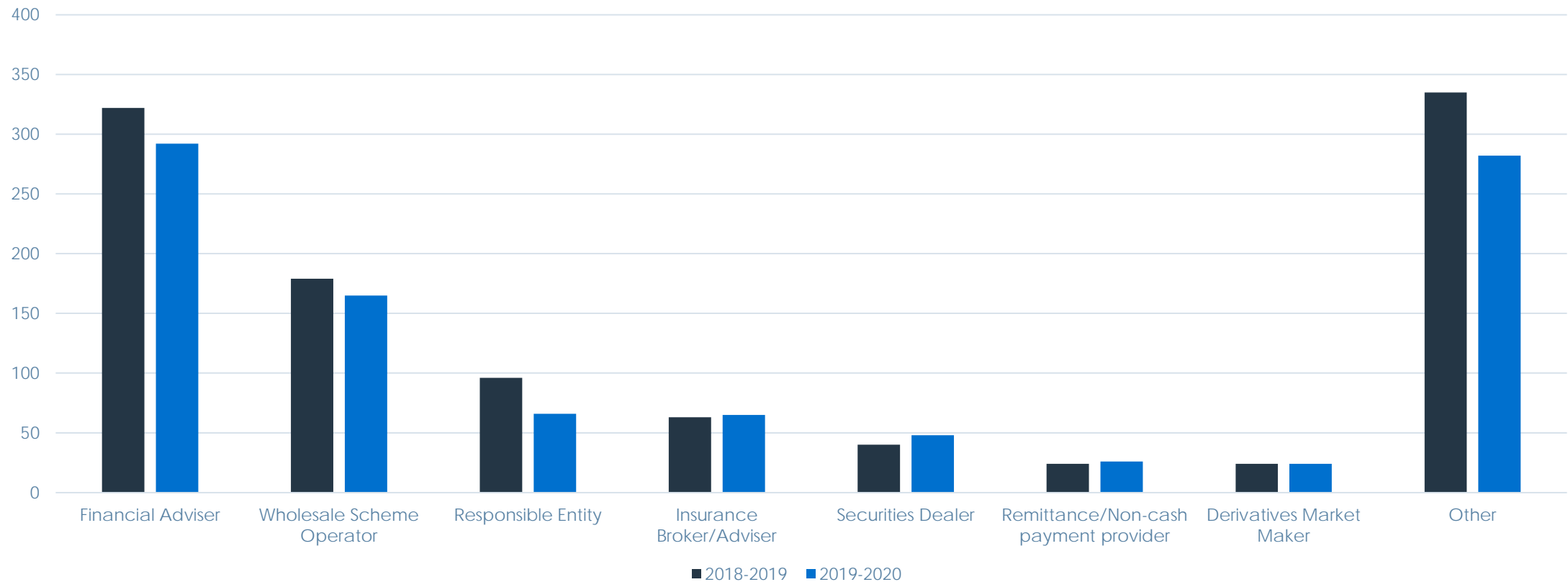
# ACL performance: days taken to reach % decisions

ACL - FY 1920 vs FY 1819



# Number of applications received in each of the last two financial years

Number of AFSL applications (new and variation) received in each of the last two years

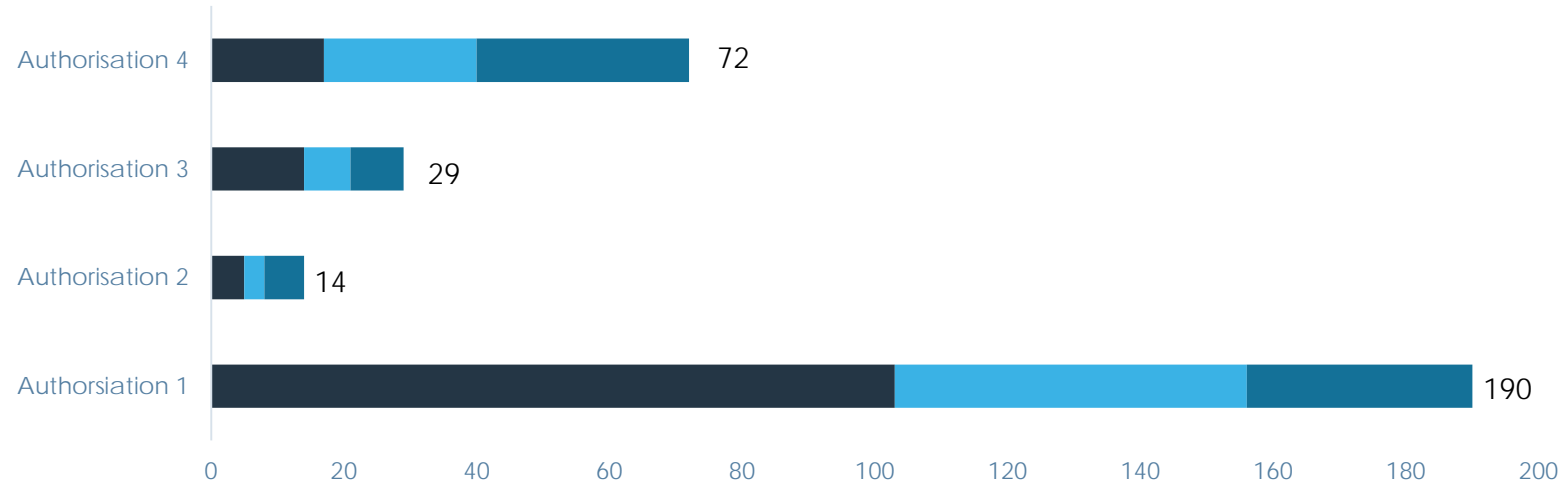


# New AFSL applications – number of applications approved

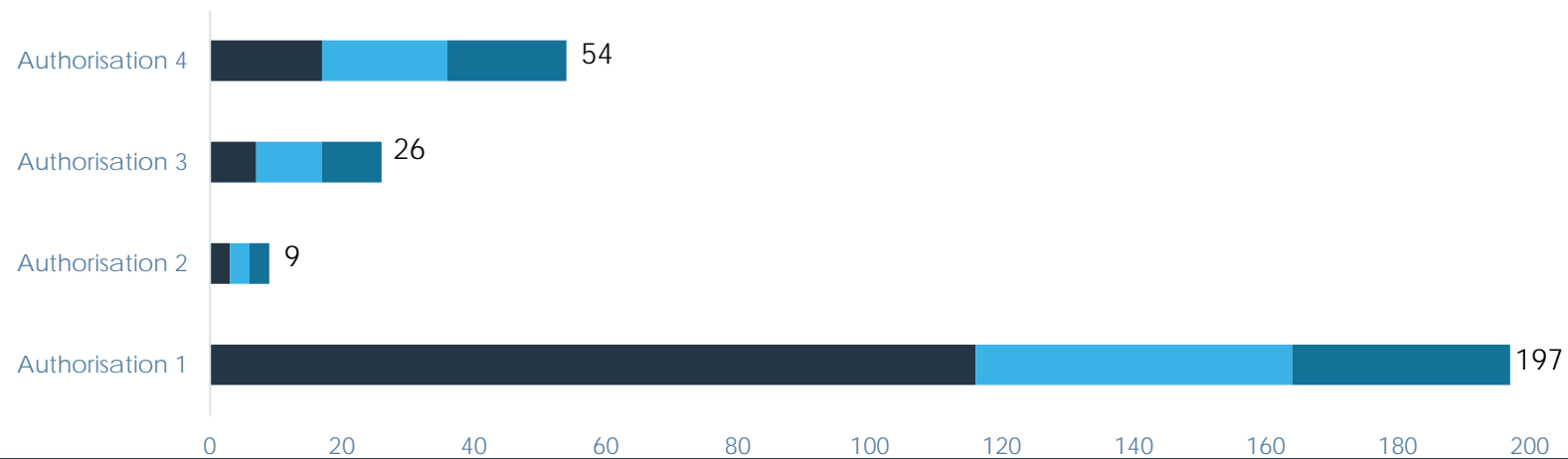
Authorisation type	Business model	FY19	FY20
Authorisation 1	Financial advisers	190	197
Authorisation 2	Intermediaries in super and insurance	14	9
Authorisation 3	MDA providers, remittance providers, margin lending providers	29	26
Authorisation 4	Market makers, responsible entities, traditional trustee companies, custodians, crowd sourced equity funders	72	54

# New AFSL applications per authorisation categories: days to approval

FY 1819



FY 1920





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# Legislative and other reforms

Nicholas Vonarx  
Senior Manager, Licensing

Gerard Mithen  
Senior Manager, Licensing





# Stronger Regulator reforms

- Fit and proper person tests
  - INFO 240 (AFSL) and INFO 244 (Australian credit licences)
  - Requirement to identify all persons that meet the definition of fit and proper persons
  - Requirement to provide sufficient information to enable us to be satisfied that the persons meet the fit and proper person test
- Deemed withdrawal of applications – AFSL and Australian credit licences
- Requirement to commence operations within six months
- Other changes – right to a hearing before a refusal of a variation application, false and misleading information, change in control



# New licensee types

- Foreign financial services providers (RG 176)
  - One licence issued as at 1 December 2020
  - Need to make applications with ample time to allow decision and licence grant before 1 April 2022
- Funeral expenses facility operators (INFO 243)
  - No licences issued as at 1 December 2020
- Litigation funding schemes (information available [here](#))
  - Four licences issued as at 1 December 2020

# Upcoming licensing-related reforms

Reform	Where to find more information?	Expected date of commencement
Licensing of superannuation trustees (AFS)	<a href="https://www.apra.gov.au/law-reform-superannuation-regulator-roles">https://www.apra.gov.au/law-reform-superannuation-regulator-roles</a>	Subject to legislative amendment, 1 January 2021
Registration of small business restructuring practitioners (liquidator registration)	<a href="https://ministers.treasury.gov.au/sites/ministers.treasury.gov.au/files/2020-09/Insolvency-Reforms-fact-sheet.pdf">https://ministers.treasury.gov.au/sites/ministers.treasury.gov.au/files/2020-09/Insolvency-Reforms-fact-sheet.pdf</a>	Subject to legislative amendment, 1 January 2021
Announced changes to responsible lending obligations	<a href="https://ministers.treasury.gov.au/ministers/josh-frydenberg-2018/media-releases/simplifying-access-credit-consumers-and-small">https://ministers.treasury.gov.au/ministers/josh-frydenberg-2018/media-releases/simplifying-access-credit-consumers-and-small</a>	Subject to legislative amendment, 1 March 2021
Licensing of debt management firms (Australian credit licences)	<a href="https://ministers.treasury.gov.au/ministers/josh-frydenberg-2018/media-releases/simplifying-access-credit-consumers-and-small">https://ministers.treasury.gov.au/ministers/josh-frydenberg-2018/media-releases/simplifying-access-credit-consumers-and-small</a>	Subject to amending regulations, 1 April 2021
Licensing of insurance claims handling and settling services (AFS)	<a href="https://treasury.gov.au/consultation/c2019-t364638">https://treasury.gov.au/consultation/c2019-t364638</a>	Subject to legislative amendment, 1 January 2022





# Other items of interest in 2020

- Professional indemnity insurance
- Enhanced regulatory sandbox



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# Questions & Answers

Diana Steicke  
A/Executive Director,  
Assessment & Intelligence

Peng Lee  
Senior Executive Leader,  
Licensing





# Reminder

- If we do not get to your question during this session, please feel free to email us at [ASICLicensingLiasion@asic.gov.au](mailto:ASICLicensingLiasion@asic.gov.au) and we will respond to you directly.