

From: @rba.gov.au
To: @asic.gov.au
Cc: @rba.gov.au
Subject: Draft 2024 Assessment of ASX Clearing and Settlement Facilities [SEC=OFFICIAL]
Date: Wednesday, 28 August 2024 11:45:00 AM
Attachments: [to-ASX-2024-Assessment-of-ASX-Facilities-for-Fact-Checking.docx](#)

Hi ,

Please find attached the latest draft of the 2024 ASX Assessment. We have sent this version of the Assessment to ASX for fatal flaw checking.

We would very much appreciate any comments you have on the Assessment by **COB Friday 6th September**. Our publication date will be 25th September.

This version of the report is going through final approvals, proof-reading and formatting checks, so there may be further changes between this and the final version.


The 2024 ASX Assessment Appendix is going through approvals and checks internally. We will send it through as soon as it is ready.

Please reach out if you have any questions.

Kind regards,

| Analyst | Clearing and Settlement Supervision
RESERVE BANK OF AUSTRALIA |
| w: www.rba.gov.au

From: @asic.gov.au
Sent: Monday, 9 September 2024 10:56 AM
To: @rba.gov.au
Subject: RE: Draft 2024 Assessment of ASX Clearing and Settlement Facilities [SEC=OFFICIAL:Sensitive]
Attachment: to-ASX-2024-Assessment-of-ASX-Facilities-for-Fact-Checking.docx

 **EXTERNAL EMAIL:** Do not click any links or open any attachments unless you trust the sender and know the content is safe.

Thank you very much Apologies again.

Cheers

From: @rba.gov.au
Sent: Monday, September 9, 2024 10:37 AM
To: @asic.gov.au
Cc: @rba.gov.au ;
Subject: RE: Draft 2024 Assessment of ASX Clearing and Settlement Facilities [SEC=OFFICIAL:Sensitive]


EXTERNAL EMAIL: Do not click any links or open any attachments unless you trust the sender and know the content is safe.

Hi

Not a problem. Yes, if you could provide any material comments by COB today that will be fine.

Thanks.

From: @asic.gov.au
Sent: Monday, September 9, 2024 8:38 AM
To: @rba.gov.au
Cc: @rba.gov.au
Subject: RE: Draft 2024 Assessment of ASX Clearing and Settlement Facilities [SEC=OFFICIAL:Sensitive]

 **EXTERNAL EMAIL:** Do not click any links or open any attachments unless you trust the sender and know the content is safe.

Good Morning

My apologies , I had mistakenly thought comments were due this evening. I went to open your email this morning and have realised my mistake.

We will do our best to get through the document this morning. If we were to provide any material comments we might have by the end of the day would that be okay?

I'm really sorry about my oversight.

Cheers

From: @rba.gov.au>

Sent: Wednesday, August 28, 2024 11:46 AM

To: @asic.gov.au>

Cc: @rba.gov.au>

Subject: Draft 2024 Assessment of ASX Clearing and Settlement Facilities [SEC=OFFICIAL]

EXTERNAL EMAIL: Do not click any links or open any attachments unless you trust the sender and know the content is safe.

Hi

Please find attached the latest draft of the 2024 ASX Assessment. We have sent this version of the Assessment to ASX for fatal flaw checking.

We would very much appreciate any comments you have on the Assessment by **COB Friday 6th September**. Our publication date will be 25th September.

This version of the report is going through final approvals, proof-reading and formatting checks, so there may be further changes between this and the final version.

The 2024 ASX Assessment Appendix is going through approvals and checks internally. We will send it through as soon as it is ready.

Please reach out if you have any questions.

Kind regards,

Clearing and Settlement Supervision
RESERVE BANK OF AUSTRALIA |
w: www.rba.gov.au

Disclaimer

This e-mail message (along with any attachments) is intended only for the named addressee and could contain information that is confidential or privileged. If you are not the intended recipient you are notified that any dissemination, copying or use of any of the information is prohibited. Please notify us immediately by return e-mail if you are not the intended recipient and delete all copies of the original message and attachments. This footnote also confirms that this message has been checked for computer viruses.

Information collected by ASIC may contain personal information. Please refer to our [Privacy Policy](#) for information about how we handle your personal information, your rights to seek access to and correct your personal information, and how to complain about breaches of your privacy by ASIC.

This e-mail and any attachments are intended for the addressee(s) only and may be confidential. They may contain legally privileged, copyright material or personal and /or confidential information. You should not read, copy, use or disclose the content without authorisation. If you have received this email in error, please notify the sender as soon as possible, delete the email and destroy any copies. This notice should not be removed.

Please consider the environment before printing this document.

From: @rba.gov.au
Sent: Friday, 20 September 2024 3:47 PM
To: @asic.gov.au
Cc: PYNER, Nicole; @asic.gov.au
Subject: Briefing for ASIC - 2024 ASX Assessment - September 2024.DOCX [SEC=OFFICIAL]
Attachments: Briefing for ASIC - 2024 ASX Assessment - September 2024.DOCX; DRAFT - 2024 ASX Assessment - September 2024.pdf; Attachment - ASX Assessment - Cyber Letter.pdf

Dear

Please find attached a the near-to-final draft of the 2024 ASX Assessment, the confidential cyber resilience assessment, and a briefing for ASIC.

These are undergoing a final proof-read so any changes would be minor and editorial in nature.

Given the sensitive nature of the material, particularly in the briefing and the cyber resilience assessment, we ask that you kindly keep the distribution limited.


Kind regards,

RESERVE BANK OF AUSTRALIA
w: www.rba.gov.au

Payments Policy Department

The Reserve Bank of Australia acknowledges the Traditional Owners of Country throughout Australia. We pay our respects to their Elders past and present.

From: @asic.gov.au>
Sent: Wednesday, 25 September 2024 10:25 AM
To: @rba.gov.au; @asic.gov.au
Cc: @rba.gov.au
Subject: Re: 2024 ASX Assessment - Media Release.pdf [SEC=OFFICIAL]

 **EXTERNAL EMAIL:** Do not click any links or open any attachments unless you trust the sender and know the content is safe.

Thank you

From: @rba.gov.au
Sent: Wednesday, September 25, 2024 10:23:02 AM
To: @asic.gov.au; @asic.gov.au
Cc: @rba.gov.au
Subject: 2024 ASX Assessment - Media Release.pdf [SEC=OFFICIAL]

EXTERNAL EMAIL: Do not click any links or open any attachments unless you trust the sender and know the content is safe.

Dear and

For your information, please find attached the media release that we will publish with the ASX Assessment at around 11.30am today.

Kind regards,

Payments Policy Department

RESERVE BANK OF AUSTRALIA

w: www.rba.gov.au

The Reserve Bank of Australia acknowledges the Traditional Owners of Country throughout Australia. We pay our respects to their Elders past and present.

Disclaimer

This e-mail message (along with any attachments) is intended only for the named addressee and could contain information that is confidential or privileged. If you are not the intended recipient you are notified that any dissemination, copying or use of any of the information is prohibited. Please notify us immediately by return e-mail if you are not the intended recipient and delete all copies of the original message and attachments. This footnote also confirms that this message has been checked for computer viruses.

Please consider the environment before printing this document.

Information collected by ASIC may contain personal information. Please refer to our [Privacy Policy](#) for information about how we handle your personal information, your rights to seek access to and correct your personal information, and how to complain about breaches of your privacy by ASIC.

This e-mail and any attachments are intended for the addressee(s) only and may be confidential. They may contain legally privileged, copyright material or personal and /or confidential information. You should not read, copy, use or disclose the content without authorisation. If you have received this email in error, please notify the sender as soon as possible, delete the email and destroy any copies. This notice should not be removed.

The Reserve Bank of Australia today released the [2024 Assessment of the ASX Clearing and Settlement \(CS\) Facilities](#). This assesses the performance of the ASX CS Facilities against the Bank's Financial Stability Standards (FSS).

The ASX CS facilities were rated as having 'observed' or 'broadly observed' many of the individual FSS.

The Bank assessed that the CS facilities 'partly observed' requirements under the specific FSS on Governance, Framework for the Comprehensive Management of Risks, and Operational Risk. Consistent with these ratings, the Bank's Assessment considers that the key areas of concern for ASX continue to be technology and cyber risks, and risk management.

The Bank acknowledges ASX's work to address the recommendations in the 2023 Assessment. These include improvements in ASX's governance arrangements and remediation of technology risks.

However, significant further work is required to ensure the Bank's key areas of concern are addressed. It is critical that the multiple large-scale technology projects currently underway, including CHES Replacement, are managed in a way that supports stability of the financial system. A detailed review of ASX's operational risk management practices revealed that a fundamental uplift here is required. The Bank has also emphasised its expectations that regulatory reporting be delivered in a more timely, transparent and complete way. The Bank will be closely supervising how ASX manages these priorities in the period ahead.

The Bank has issued a number of recommendations, including that ASX should:

- continue to place high priority on remediating ageing technology assets
- reduce the complexity of vendor management frameworks and ensure that appropriate controls and processes are in place for all key vendors supporting the CS facilities
- complete an independent review of its internal strategy to address its overall heightened level of risk.

RBA Assistant Governor (Financial System) Brad Jones said, 'We acknowledge the work that ASX has undertaken over the past year to address the Bank's previous recommendations, which has had to occur while ASX has undertaken significant technology modernisation projects including CHES Replacement. However, the Bank's Annual Assessment has reinforced the importance of ASX strengthening its risk culture and overall framework for managing risk. This is a fundamental requirement for an entity that runs critical national financial infrastructure. There is more work to do here.'

Background

The Reserve Bank is responsible for the supervision of Australian-licensed CS facilities with a focus on financial stability and the reduction of systemic risk. Systemically important CS facilities are assessed on a regular basis against the Financial Stability Standards (FSS) determined by the Bank.

The Bank conducts annual assessments of ASX's four CS facilities: two central counterparties – ASX Clear Pty Limited and ASX Clear (Futures) Pty Limited – and two securities settlement facilities – ASX Settlement Pty Limited and Austraclear Limited. These assessments include a rating of the CS facilities' observance against each financial stability standard.

For more information on the Bank's approach to assessing CS facilities, see: [*The Reserve Bank's Approach to Supervising and Assessing Clearing and Settlement Facility Licensees.*](#)

ASIC has separate, but complementary, responsibilities for the supervision of CS facilities. In carrying out supervision of CS facilities, the RBA works closely with ASIC.