



MEDIA RELEASE

Council of Financial Regulators Proposals on Financial Market Infrastructure

30 March 2012

The Council's recommendations to the Treasurer, released today, would strengthen the hand of regulators in dealing with a rapidly changing environment for financial market infrastructure (FMI).

They provide a sensible, flexible regime giving Australian regulators the necessary powers to deal with this evolving environment. It is important these enhanced powers are exercised in a measured way and only as necessary.

We support the proposed approach for location requirements that allows the Reserve Bank to consider systemic importance in a proportional and graduated way so that efficiency costs and stability benefits are balanced.

The industry will be interested to see what emerges from the ongoing analysis involving the ACCC into the competition aspects of clearing and settlement.

AFMA will engage with Treasury in the weeks ahead and consult with our members on the proposed legislation.

Notes for Editors:

The Australian Financial Markets Association (AFMA) is the leading industry association promoting efficiency, integrity and professionalism in Australia's financial markets and provides leadership in advancing the interests of all market participants. These markets are an integral feature of the economy and perform the vital function of facilitating the efficient use of capital and management of risk. Market participants perform a range of important roles within these markets, including financial intermediation and market making.

AFMA represents over 130 members, including Australian and international banks, leading brokers, securities companies, state government treasury corporations, fund managers, traders in electricity and other specialised markets and industry service providers.

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