



11 August 2025

Head of Payments Policy Department  
Reserve Bank of Australia  
Sydney NSW 2001

By email: [cssubmissions@rba.gov.au](mailto:cssubmissions@rba.gov.au)

Dear Mr Connolly

**Consultation on Guidance for the Australian Clearing  
and Settlement Facility Resolution Regime**

The Australian Financial Markets Association (AFMA) is responding to the Consultation on Guidance for the Australian Clearing and Settlement Facility Resolution Regime (Guidance).

In general terms AFMA members are supportive and appreciative of the RBA's guidance on the circumstances in which resolution might occur. The Guidance provides reassurance to the market around which intervention and its intended financial support would occur to maintain market stability in the event where the central clearing counterparty stops functioning and the ability to clear and settle trades in the usual way becomes unavailable.

In this context members have these limited suggestions for consideration:

- A. To support confidence in the market our members have suggested that the RBA consider setting up mock industry fire drills (e.g. stress-testing scenarios) or roundtables to clarify practical processes and test readiness for RBA intervention during crisis events.
- B. Member have said they would appreciate more details around RBA's proposed approach to communication when invoking these powers, especially regarding how the industry would be notified and who would be contacted in a crisis event. While many of our member have existing communication channels with RBA's Markets Operations team, it would be good to know how

RBA would engage with market participants and if a new communication channel is to be established moving forward.

- C. One concern that has been raised is around RBA's current language (*'do not expect to use'* – paragraph 66) to follow existing CS facility rules for loss allocation. More clarity from RBA that it is committed to operate within the existing rulebook to maintain consistency and certainty for participants and clients would be appreciated.

Thank you for considering our views. Any questions on this letter should be directed to myself, David Love, at [dlove@afma.com.au](mailto:dlove@afma.com.au) or on 0415 903 412.

Yours sincerely

A handwritten signature in blue ink that reads "David Love". The signature is written in a cursive, flowing style.

**David Love**  
**General Counsel**