KING&WOOD MALLESONS
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FINTECH REGULATORY TIMELINE

Introducing a timeline of key dates in the fintech regulatory space in 2023 and beyond.

JANUARY 2023

31 January: ASX releases a response paper summarising and responding to feedback from the second consultation paper on ASX Market Management and potential enhancements.

FEBRUARY 2023

○ **3 February:** Treasurer sets out Government's approach to crypto regulation, including enforcement, consumer protection and a reform framework.

○ **3 February:** Treasury releases consultation paper on Token Mapping. Submissions close 3 March 2023.

● **6 February:** Submissions due to Treasury regarding its consultation paper on the Strategic Plan for the Payments System.

● **8 February:** Treasury releases final Report from the Quality of Advice Review.

● **9 February:** The Senate refers the bill to enable action initiation under the Consumer Data Right, *Treasury Laws Amendment (Consumer Data Right) Bill 2022* (Cth), to the Senate Economics Legislation Committee. Report due 3 May 2023.

● **14 February:** Submissions due to APRA regarding amendments to Prudential Standard APS 610 Prudential Requirements for Providers of Purchased Payment Facilities, to align the current minimum capital adequacy requirement for PPF providers with the broader capital framework for other APRA-regulated entities.

14 February: ACCC commences inquiry into retail deposits including how banks set interest rates as well as other terms and conditions.

16 February: Attorney-General's Department publishes Report on the Privacy Act Review. Submissions close 31 March 2023.

● **20 February:** Treasury publishes exposure draft of the *National Consumer Credit Protection Amendment (Financial Sector Reform) Regulations 2023* (Cth) for consultation, which seeks to amend the *National Consumer Credit Protection Regulations 2010* (Cth) to give effect to the Government's response to the Review of the Small Amount Credit Contract Laws. Submissions close 20 March 2023.

● **21 February:** Treasury commences consultation on anti-avoidance provisions for credit product intervention orders under the *Corporations Act 2001* (Cth) (Corporations Act). Submissions close 21 March 2023.

MARCH 2023

● **2 March:** The RBA and DFCRC announce research projects exploring use cases for CBDCs. Expressions of interest to participate in the pilot close on 31 March and the final report is expected to be published mid 2023.

○ **3 March:** Submissions due to Treasury regarding its consultation paper on Token Mapping.

● **6 March:** Treasury consults on changes to simplify corporations and financial services laws to create a single glossary of defined terms in section 9 of the Corporations Act, 'unfreeze' the *Acts Interpretation Act 1901* (Cth) (AIA) as it applies to the Corporations Act and the *Australian Securities and Investments Commission Act 2001* (Cth) (ASIC Act). Submissions close 3 April 2023.

8 March: ACCC publishes issues paper for the Digital Platform Services Inquiry – September 2023 Report on the expanding ecosystems of digital platform services providers. Submissions close 5 April 2023.

10 March: Market integrity rule amendments targeting technological and operational resilience of securities and futures market operators and participants come into force.

● **20 March:** Submissions due to Treasury regarding its exposure draft of the *National Consumer Credit Protection Amendment (Financial Sector Reform) Regulations 2023* (Cth) which seek to amend the *National Consumer Credit Protection Regulations 2010* (Cth) to give effect to the Government's response to the Review of the Small Amount Credit Contract Laws.

● **21 March:** Submissions due to Treasury regarding its consultation on anti-avoidance provisions for credit product intervention orders under the Corporations Act.

23 March: Treasury releases exposure draft legislation amending the Corporations Act, the *Competition and Consumer Act 2010* (Cth) and the ASIC Act to facilitate competitive outcomes in the provision of clearing and settlement services for Australia's financial markets. Submissions close 20 April 2023.

● **27 March:** AFCA releases consultation paper on changes to its Rules and Operations Guidelines, including in relation to managing conduct within the scheme, appropriate settlement offers and previous settlement agreements, the Forward Looking Review mechanism, complaints lodged by sophisticated and professional investors, the effect of determinations and the slip rule, and other changes. Submissions close 22 May 2023.

○ **30 March:** The Senate refers the *Digital Assets (Market Regulation) Bill 2023* (Cth) to the Senate Economics Legislation Committee. This private member's bill regarding crypto assets relates to digital asset exchanges, custody, stablecoin, and disclosure requirements for facilitators of CBDC in Australia. Submissions close 19 May 2023 and report due 2 August 2023.

31 March: Submissions due to Attorney General's Department regarding its Report on the Privacy Act Review.

● **31 March:** Expressions of interest to participate in the RBA's CBDC pilot due to the RBA and DFCRC.

31 March: ACCC provides its 6th interim report for the Digital Platform Services Inquiry to the Treasurer.

31 March: The final report of the Review of the RBA presented to the Treasurer.

APRIL 2023

● **3 April:** Submissions due to Treasury regarding its consultation on changes to simplify corporations and financial services laws announced on 6 March 2023.

5 April: Submissions due to the ACCC regarding its issues paper for the Digital Platform Services Inquiry – September 2023 Report.

17 April: ACCC releases Targeting Scams: Report of the ACCC on scams activity 2022. This report explains key trends in scam activity and highlights the impact of scams on the community.

● **18 April:** Treasury releases exposure draft legislation to amend education standards for experienced financial advisors. Submissions close 3 May 2023.

20 April: Submissions due to Treasury regarding its exposure draft legislation amending the Corporations Act, the *Competition and Consumer Act* (Cth) and the ASIC Act to facilitate competitive outcomes in the provision of clearing and settlement services for Australia's financial markets.

20 April: Government releases the Review of the RBA and its response. The Review of the RBA makes 51 recommendations which cover five themes, including a clearer monetary policy framework, stronger monetary policy decision making and accountability, an open and dynamic RBA, more robust corporate governance, and steps to ensure RBA leaders drive institutional and cultural change. APRA also releases its response welcoming the recommendations that relate to it.

● **20 April:** Attorney-General's Department releases consultation paper on proposed reforms of Australia's anti-money laundering and counter-terrorism financing regime including in relation to certain high risk professions and to modernise the AML/CTF regime. This includes changes relating to risk assessment, foreign permanent establishments, digital currency services, tipping off and the travel rule. Submissions close on 16 June 2023.

20 April: ASIC releases Report 761 Scam prevention, detection and response by the four major banks. This report includes observations for all banks to consider to minimise the impact of scams on their customers.

MAY 2023

● **3 May:** Submissions due to Treasury regarding its exposure draft legislation to amend education standards for experienced financial advisors.

● **3 May:** Report of the Senate Economics Legislation Committee recommends passing the bill to enable action initiation under the Consumer Data Right, *Treasury Laws Amendment (Consumer Data Right) Bill 2022* (Cth), without amendments.

3 May: ASIC publishes Report 762 Design and distribution obligations: Investment products, which found significant room for improvement in how investment product issuers meet their design and distribution obligations.

○ **19 May :** Submissions due to the Senate Economics Legislation Committee regarding the *Digital Assets (Market Regulation) Bill 2023* (Cth).

● **22 May:** Submissions due to AFCA regarding its consultation on changes to its Rules and Operations Guidelines, including in relation to managing conduct within the scheme, appropriate settlement offers and previous settlement agreements, the Forward Looking Review mechanism, complaints lodged by sophisticated and professional investors, the effect of determinations and the slip rule, and other changes.

JUNE 2023

● **16 June:** Submissions due to the Attorney-General's Department regarding its consultation paper on proposed reforms of Australia's anti-money laundering and counter-terrorism financing regime.

JULY 2023

AUGUST 2023

○ **2 August:** Report due from the Senate Economics Legislation Committee regarding the *Digital Assets (Market Regulation) Bill 2023* (Cth).

● Australian Law Reform Commission is expected to publish its Third Interim Report on Financial Services Legislation.

SEPTEMBER 2023

30 September: ACCC is expected to submit the September 2023 interim report for the Digital Platform Services Inquiry to the Treasurer.

○ **30 September:** The Board of Taxation is expected to provide its report on the Review of the Tax Treatment of Digital Assets and Transactions to the Government.

OCTOBER 2023

NOVEMBER 2023

● Australian Law Reform Commission is due to publish its Final Report on Financial Services Legislation by 25 November 2023.

DECEMBER 2023

1 December: The ACCC is expected to submit the final report of the retail deposits inquiry to the Treasurer. This will include how banks set interest rates as well as other terms and conditions.

2024

○ APRA is expected to consult on prudential treatment for crypto-assets. This is expected to come into effect in 2025.

2025

○ Prudential treatment for crypto-assets is expected to come into effect.

31 March: Final report for the Digital Platform Services Inquiry is due to the Treasurer.

Q1 | Q2 | Q3 | Q4 | 2024 | 2025

● Treasury is expected to release the Strategic Plan for the Payments System. (Note this has not yet been released).

H1 | H2

● Treasury is expected to release consultation papers on changes to the *Payments Systems (Regulations) Act 1998* (Cth) and defining a list of regulated payment functions.

● APRA is expected to finalise updates to minimum capital requirements for stored-value facilities and stablecoins in Prudential Standard APS 610 Prudential Requirements for Providers of Purchased Payment Facilities.

● Treasury is expected to release a consultation paper on the regulatory obligations underpinning the payments licensing regime.

● RBA and DFCRC are expected to publish the final report on the CBDC pilot.

ASIC is expected to consult on RG 217 Duty to prevent insolvent trading: Guide for directors in response to recommendations in the Final Report of the Review of the Insolvent Trading Safe Harbour.

2023: The Financial Regulator Assessment Authority is expected to provide a report on the effectiveness and capability of APRA to the Treasurer.

Key

- ● CBDC
- ● Consumer Data Right
- ● Credit
- ○ Crypto asset
- ● Financial advice
- ● Financial services reform
- ● Payments, including purchased payment facilities

Source: King & Wood Mallesons 2023.
This has been prepared on the basis of publicly available information as at 8 May 2023.

Please note that dates may be subject to change.