

13 March 2024

General Manager, Policy
Australian Prudential Regulation Authority
GPO Box 9836
Sydney NSW 2001



By email: policydevelopment@apra.gov.au
CC: dataconsultations@apra.gov.au

Dear Mr Holland,

A new centralised glossary for APRA's prudential framework

The Australian Financial Markets Association (**AFMA**) welcomes the opportunity to comment on the Australian Prudential Regulation Authority's (**APRA**) consultation on *A new centralised glossary for APRA's prudential framework*, including proposed new cross-industry Prudential Standard CPS 001 Defined terms (**CPS 001**).

AFMA is supportive of APRA's initiatives to Modernise the Prudential Framework, including the proposal, via CPS 001, to centralise existing definitions into a single consolidated standard.

Modernising the Prudential Framework, including further centralisation of definitions and leveraging digital capabilities, should reduce the regulatory burden on entities while creating a framework that is more broadly accessible and understandable.

In this context, AFMA encourages APRA to continue its work on standardising and centralising definitions, including by identifying additional definitions across its broader prudential framework. Optimally, this analysis would identify where multiple definition of terms (or very similar terms) exists and where defined terms are not aligned to, or duplicate terms already defined in law. Doing so would reduce duplication and inconsistencies across the various standards and guides, and reduce uncertainties and conflicts with legal definitions.

Additionally, AFMA looks forward to the release of the new digital framework in the second half of 2024 and encourages APRA to take this opportunity to enhance the accessibility, searchability and digital interlinkages between standards and guides, including with the new CPS 001.

For more information or if you have questions in relation to this letter, please contact me on 0411 281 562 or at brendonh@afma.com.au. We look forward to continued engagement on these important changes.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'B. Harper', with a long, sweeping horizontal line extending to the right.

Brendon Harper

Head of Banks and Prudential

Australian Financial Markets Association

About AFMA

AFMA is the leading financial markets industry association promoting efficiency, integrity and professionalism in Australia's financial markets, including the capital, credit, derivatives, foreign exchange, energy, carbon, and other specialist markets.

We have more than 130 members, from Australian and international banks, leading brokers, securities companies and state government treasury corporations to fund managers, energy firms and industry service providers. Our role is to provide a forum for industry leadership and to advance the interests of all these market participants.