



ASIC
Australian Securities &
Investments Commission

Committee	Parliamentary Joint Committee on Corporations and Financial Services
Inquiry	Oversight of ASIC, the Takeovers Panel and the Corporations Legislation No.1 of the 46th Parliament
Question No.	003
Topic	ASIC's external panels
Reference	Spoken, 11 February 2022, Hansard page 16-17
Committee member	Senator Louise Pratt

Question

Ms Chester: That's exactly right. Indeed, ASIC has a consumer consultative panel that we've had established for many years now. It's probably one of our most successful stakeholder groups in terms of that live exchange of information on their concerns and what we can do about it. We've discussed at length with them the design and distribution obligations. Indeed, in the most recent team meeting that we had we talked about them helping us to identify products and services going to retail consumers. Just to go back a step, it's important to understand that the design and distribution obligations apply only to financial products and services that go to retail consumers, so I'll park that for a moment. But, importantly, those groups are still looking at any vulnerable consumers, whether or not they're regarded to be retail or wholesale, as was the case even in Mayfair, so we have discussed with them at length our guidance and our approach and what we're now doing from a surveillance perspective with regard to the design and distributions obligations. We even asked them at the most recent meeting about some of the areas that they were concerned about and to identify the top ones and where they had some concerns about some of the target market determinations that they've seen, and they're coming back to us live on that. That will inform our surveillance going forward and where we target our resources.

Senator PRATT: That sounds great. May we get a list of the organisations or individuals on that group? We were just discussing earlier as a committee our need to engage with some of your stakeholders in our role as an oversight committee so that we can hear from them what they are also telling you, so it would be good to see ASIC's various stakeholder matrices, if that's possible. I have a particular interest in that consumer cohort, but others will have interests in some of the other areas as well.

Ms Chester: We'd be happy to share with you the membership profile of all of our consultative groups. There are about six of them altogether. On the consumer group that you're discussing at the moment, from recall there are about 18 organisations represented, including CHOICE, Financial Counselling Australia, legal aid and COTA. But we will take that on notice and share that with you.

Answer

ASIC has seven external panels which support ASIC to effectively engage with our stakeholders. Panels support ASIC to gain a deeper understanding of industry and consumer issues, consult on current regulatory and conduct matters and identify threats and harms in the sectors we regulate.

- **ASIC's Consumer Consultative Panel (ACCP)** is ASIC's longest standing external panel, established in 1998 when ASIC took regulatory responsibility for consumer protection in financial services. The ACCP has an independent Chair and 11 members, appointed either as a nominee of their consumer organisation or in a personal capacity. Membership currently includes:

- Gordon Renouf, Chair
- Fiona Balzer, Australian Shareholders Association (ASA),
- Robert Brown, ADF Financial Services Consumer Council (ADF FSCC),
- Professor Gail Pearson, Consumers' Federation of Australia (CFA),
- Cat Newton, Consumer Action Law Centre, (CALC),
- Ian Yates, COTA Australia,
- Patrick Veyret, Choice,
- Pauline Smith, Financial Counselling Australia (FCA),
- Karen Cox, Financial Rights Legal Centre (FRLC),
- Jillian Williams, Indigenous Consumers Assistance Network (ICAN)
- Dana Beiglari, Legal Aid NSW (LAN),
- Xavier O'Halloran, Super Consumers Australia.

ASIC's other external panels are:

- **ASIC Consultative Panel** enables ASIC to consult on proposed regulatory changes; provide intelligence on the external environment, including market conditions; and identifies threats and harms in the markets ASIC regulates. Panel members include senior representatives from industry, legal, academic, consumer and regulatory sectors and are appointed in their personal capacity. Replacing the External Advisory Panel in 2020, the full panel meets once per year to discuss emerging threats and harms in the financial sector. In addition, members are consulted on an ad-hoc basis as required by ASIC teams. Membership currently includes:

- Alan Kirkland (CEO, CHOICE)
- Anne Anderson (Board Investment Committee Member, REST and former Head of Fixed Income, UBS)
- Brad Holzberger (Former CIO, QSuper)
- Catherine Wolthuizen (Customer Advocate, NAB. Formerly of Financial Ombudsman Service UK and Australia)
- Deborah Cope (Member, Independent Pricing and Regulatory Tribunal)
- Dimity Kingsford Smith (Professor, Faculty of Law, UNSW)
- Ellen Broad (Associate Professor, School of Cybernetics, Australian National University)
- Fiona Guthrie (CEO, Financial Counselling Australia)
- Geoff Warren (Associate Professor, ANU)
- Gerard Brody (CEO, Consumer Action Law Centre)
- Hon Wayne Martin AC QC (Former Chief Justice, Supreme Court of Western Australia)
- Ian Ramsay (Professor, Melbourne Law School)
- Jillian Broadbent AC (Director, Macquarie Group Limited and former Woolworths Group, Swiss Re, Chancellor of University of Wollongong)
- John Laker (Chair, ING and Former Chair, APRA)
- Lynwen Connick (Chief Information Security Officer, ANZ)
- Michael Dwyer (Former CEO, First State Super)
- Peter Strong (Former CEO, COSBOA)
- Pippa Downes (Investment Committee, AustralianSuper)
- Robert Johanson AO (Former Chair, Bendigo and Adelaide Bank)
- Robynne Quiggin (Associate Dean – Indigenous Leadership and Engagement, UTS)
- Susan Thorp (Professor of Finance and Associate Dean of Research, University of Sydney).

- **Markets Consultative Panel** comprises members from the financial services industry who have extensive experience in retail markets, institutional banking and asset management. The Panel advises on ASIC's approach to its responsibilities for ongoing supervision of the Australian market, as well as on broader market developments and met five times in 2019–20. Issues discussed included the impact of the COVID-19 pandemic on markets and financial services firms; CHESS replacement; technological, operational and cyber resilience; activist short selling; internal market making for actively managed funds; and retail investor harms, including the application of the product intervention power. External members are:

 - Keith Birch, Goldman Sachs Australia Pty Ltd
 - John Lee, Susquehanna Pacific
 - Will Psomadelis, Schroders Investment Management Australia Limited
 - Dean Surkitt, Bell Financial Group
 - Scott Webster, UBS AG Australia
 - Emma Quinn, Alliance Bernstein
 - Andrew Stewart, Macquarie Bank Limited
 - Carole Comerton-Forde, University of New South Wales
 - Richard Burns, CommSec
 - Barry Parker, ABN AMBRO Clearing Sydney Pty Ltd
 - Eugene Budovsky, Credit Suisse Management (Australia) Pty Ltd

- **Corporate Governance Consultative Panel** enables ASIC to gain a deeper understanding of developments in corporate governance practices and emerging issues. Replacing the Director Advisory Panel, members comprise listed company directors, industry association representatives, institutional investors and academics and met once in 2019–20. Issues discussed included the key regulatory measures adopted in response to the COVID-19 pandemic, as well as key corporate governance challenges in the pandemic environment, including ASIC's action to maintain equity market resilience, temporary insolvency relief for financially distressed businesses, and ASIC and ASX measures to assist companies with equity raising during the pandemic. Current members include:

<ul style="list-style-type: none"> ○ Maree Arnason ○ John Atkin (AICD) ○ Fiona Balzer (ASA) ○ Helen Bird (academic) ○ Louise Davidson AM (ACSI) ○ David Fagan ○ Kerry Gleeson ○ Dr Danyelle Guyatt ○ Rob Hubbard 	<ul style="list-style-type: none"> ○ Jan McCahey ○ Rebecca McGrath ○ Megan Motto (Governance Institute) ○ Joel Posters (FutureFund) ○ Dr Sarah Ryan ○ Peter Turnbull AM ○ Peter Warne
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- **Digital Finance Advisory Panel** helps to inform ASIC's fintech and regtech approach and to advise on engagement with the sector. Members are drawn from the fintech and regtech communities, academia and consumer organisations. DFAP also has active observer members from public sector and regulatory agencies, which facilitates dialogue between industry and the public sector. The Panel met three times in 2019-20 and advised on impacts of the Covid-19 pandemic; developments and issues related to crypto assets and initial coin offerings in Australia; and the implementation of reforms such as the consumer data right and the new payments platform, with a focus on what this means for the fintech and regtech sectors. Current members include:

- Ross Buckley: Scientia Professor, KPMG Law and King & Wood Mallesons Professor of Disruptive Innovation and Law, Professor, UNSW.
 - Daniel Foggo: CEO and Co-Founder, RateSetter
 - Steve Vallas: CEO, Blockchain Australia
 - Simone Joyce: Chairperson, FinTech Australia
 - Philippa Ryan: Senior Lecturer & Barrister, Director, Master of Laws (LLM), ANU College of Law
 - Lisa Frazier: COO, Judo Bank
 - Daniel Fogarty: Non-executive Director, Insurtech Australia
 - Patrick Garrett: Co-CEO & Co-founder, Six Park
- **Financial Advisers Consultative Panel** comprises practising financial advisers with expertise in insurance, superannuation (including SMSFs) and digital financial advice and met three times in 2019–20. Issues discussed included the use of ASIC’s product intervention powers, law reform arising from the Royal Commission, and ASIC’s ongoing work in relation to unmet advice needs, life insurance, fee disclosure statements and renewal notices. Current members include:
 - Andrew Albury
 - Angela Martyn
 - Delma Newton
 - Sam Perera
 - Susie Peterson
 - Tracey Scotchbrook
 - Jeff Thurecht
 - Chris Webster
 - Liz Westover
- **Cyber Consultative Panel** is presently being constituted with the ten member panel to include cyber professionals and industry representatives from across ASIC’s regulated population, and also includes other relevant government agencies. It is intended that the Panel will meet prior to 30 June 2022 to provide ASIC strategic advice from an industry perspective on best practices in cyber and operational resilience and related fields; emerging cyber and operational resilience trends, risks and issues, including emergent disruptive technologies or approaches; and any significant obstacles and barriers for the delivery of ASIC’s cyber and operational resilience strategy.