

Parliamentary Joint Committee on Corporations and Financial Services

ANSWERS TO QUESTIONS ON NOTICE

July 2021

Agency: Australian Prudential Regulation Authority
Question No: QoN037-04
Topic: Supply Chain Financing and Greensill
Reference: Written (9 July 2021)
Questioner: Andrew Wallace MP

Question:

- a) Do the trade finance, supply chain finance and trade credit insurance markets in Australia lead to any risks to stability of the Australia financial system?
- b) Does the collapse of Greensill lead to any systemic financial stability risks?

Answer:

- a) APRA does not consider that the trade finance, supply chain finance and trade credit insurance markets are of sufficient size to pose a risk to the stability of the Australian financial system.
- b) No, the collapse of Greensill does not pose a systemic financial stability risk to Australia.