

# Parliamentary Joint Committee on Corporations and Financial Services

## ANSWERS TO QUESTIONS ON NOTICE

July 2021

**Agency:** Australian Prudential Regulation Authority  
**Question No:** QoN037-10  
**Topic:** Supply Chain Financing and Greensill  
**Reference:** Written (9 July 2021)  
**Questioner:** Andrew Wallace MP

### **Question:**

What is APRA's understanding of Greensill's business model and the extent to which Greensill used:

- a) securitisation;
- b) trade credit insurance;
- c) types of supply chain financing including: factoring, account payables financing, dynamic discounting, special purpose vehicles, purchasing card supply chain financing; and
- d) financing future or prospective invoices/receivables?

### **Answer:**

APRA does not regulate the activities of Greensill and therefore does not have information on the extent to which securitisation, trade credit insurance or different types of supply chain financing were used by Greensill.

APRA is aware that two APRA-regulated general insurers (i.e. Tokio Marine & Nichido Fire Insurance Co., Ltd and Insurance Australia Limited) provided trade credit insurance policies to Greensill in relation to its supply chain financing business.