



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
Question No.	28
Topic	ASX CHESSE Replacement – ASIC Regulatory Powers
Reference	Spoken 27 June 2022, Hansard pages 22 and 46
Committee member	Senator O'NEILL

Question

Hansard page 22

CHAIR: Are there any other consultancy companies that are engaged with ASX in the development of these special reports, to your knowledge?

Mr Bourne: We made a recommendation in our letter to ASX that accompanied the issuance of the notices for the special reports that we deemed it reasonable for, and actually we expected, them to bring in external experts to assist them to develop the special reports. We thought international experience from an entity that could bring that experience to bear would be useful for them to set the standards. For example, the PPPM, portfolio program project management, frameworks we wanted assessed against global standards. We wanted firms to assist them to identify the standards but also the gaps and what their road map needs to be to meet those international standards.

CHAIR: Do you know who they selected?

Mr Bourne: KPMG is my understanding on that one.

CHAIR: And KPMG are assisting them as a consultancy, not as an assurance and audit company?

Mr Bourne: That's correct.

CHAIR: And there are international people engaged in that team as well, to your knowledge, Mr Bourne? **Mr Bourne:** I expect so, because our expectation is that they bring to bear the international experience they have on this, but I might need to take that away just to double-check.

Hansard page 46

CHAIR: Thank you. Mr Bourne?

Mr Bourne: Earlier I commented on who was assisting ASX to conduct the special reports.

CHAIR: Yes.

Mr Bourne: For the current special report that we've received, KPMG were assisting. I incorrectly stated that they were helping with the PPPM report. A firm by the name of PM-Partners is assisting with the portfolio program project management report. The other clarification is that we discussed a meeting where we met with VMware and Digital Asset. That was on 2 December 2020. It was specifically in relation to a work stream dedicated to the performance capacity and scalability of the solution. VMware and DA presented their performance focus areas and delivery approach in that meeting.

CHAIR: And there was a second meeting, a meeting prior to that, where you were going to provide data?

Mr Bourne: Yes. That might be more difficult. They were more attendances at functions to see the new technology and how it would perform.

CHAIR: Okay. Show and tell. Thank you. I have been to one of them too. Thank you.

Answer

ASIC was intentionally not involved in the selection and appointment of PM Partners by ASX. This is because the provision of the special report was ASX's obligation, and we may in future place reliance on the report if we decide that further regulatory action is required. We did however set an expectation of ASX that it brought in external experts to assist ASX prepare the external reports. We understand from PM Partners' website that it has an international office in Singapore.