

APRA to recommence prudential policy program and issuing of new licences

Source: [Australian Prudential Regulatory Authority \(APRA\)](#)

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Abstract:

APRA will recommence public consultations on select policy reforms and commence a phased resumption of the issuing of new licenses.

Earlier this year, APRA announced the suspension of most of its planned policy and supervision initiatives and suspended the issuing of new licences in response to the impact of COVID-19 (see our previous updates [here](#) and [here](#)).

APRA will now recommence public consultations on policy reforms in respect to:

- the cross-industry prudential standard for remuneration;
- ADI capital reforms incorporating APRA's unquestionably strong framework, Basel III and measures to improve transparency, comparability and flexibility;
- insurance capital reforms to incorporate changes in the accounting framework (AASB 17); and
- the prudential standard for insurance in superannuation, and updated guidance on the sole purpose test.

From September 2020 APRA will recommence issuing new licences to applicants that are branches or subsidiaries of foreign entities with significant financial resources and a strong operational track record.

APRA anticipates issuing new licences to any entity meeting the relevant prudential requirements from March 2021.

APRA will also accept new licence applications from any entity from September 2020.

A copy of APRA's statement is available [here](#).

For more information about COVID-19, see the [LexisNexis Information Hub COVID-19](#).